

ATTACHMENT A

RESOLUTION NO.  
VWD 26-009

## RESOLUTION NO. VWD-26-009

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VICTORVILLE WATER DISTRICT ACCEPTING THE 2026 WATER COST OF SERVICE/RATE STUDY; AUTHORIZING PREPARATION AND MAILING OF NOTICES OF PUBLIC HEARING REGARDING THE PROPOSED CHANGES TO WATER SERVICE RATES PURSUANT TO PROPOSITION 218; AND SETTING THE DATE, TIME, AND LOCATION OF THE PUBLIC HEARING ON THE PROPOSED WATER SERVICE RATES

**WHEREAS**, the Victorville Water District (the “**District**”) is a subsidiary district of the City of Victorville (the “**City**”), organized and operating under the County Water District Law (California Water Code section 30000 *et seq.*); and

**WHEREAS**, Proposition 218 was adopted by the voters on November 6, 1996, adding Articles XIII C and XIII D to the California Constitution; and

**WHEREAS**, the Board of Directors of the District (the “**Board of Directors**”) is authorized to fix and collect rates and charges for the provision of water service under California Water Code sections 31007 and 31025, and Chapter 10.04 of the Victorville Municipal Code; and

**WHEREAS**, in accordance with industry best practices and to ensure that its water rates reflect the District’s cost of providing water service to its property owners/customers, the District performs a cost of service/study of its water rates every five years; and

**WHEREAS**, on or about December 22, 2025, following the issuance of a Request for Proposals and the District’s evaluation of the proposals submitted in response thereto, the District General Manager authorized retention of consultant Bartle Wells Associates to perform the rate/cost of service study; and

**WHEREAS**, following a public workshop and collaboration among Bartle Wells Associates (BWA) and District Staff, a final BWA Water Rate Study Report, dated May 2026 (the “**Study**”), a copy of which is attached to this Resolution as Exhibit 1, is now being presented to the Board of Directors proposing revised rate schedules for water services to be implemented as of August 1, 2026, and thereafter on July 1st of each of the subsequent four years; and

**WHEREAS**, proposed revisions to and increases of the District’s charges and fees for water service (Rates) are subject to the substantive and procedural requirements of part of Proposition 218 (Cal. Const. Arts. XIII C and D). Section 6 of Article XIII D sets forth standards for setting rates that reflect the proportional cost of providing water services, as well as requirements for providing notice, a public hearing, and the ability to protest such proposed revisions to and increases of charges and fees for water service; and

**WHEREAS**, the Board of Directors wishes to consider acceptance of the attached Study and direct District staff to proceed with notice, public hearing and such other matters required by law in order to consider adoption of the proposed revised rate schedules (hereinafter the “**Proposed Rates**”) in compliance with the requirements of Proposition 218 and other applicable laws and District resolutions.

**NOW, THEREFORE, THE VICTORVILLE WATER DISTRICT BOARD OF DIRECTORS DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1. Recitals.**

That the above recitals are true and correct and are incorporated herein by this reference, including any terms defined therein.

**SECTION 2. Acceptance of Study.**

That the Board of Directors hereby accepts the Study attached hereto as Exhibit 1 and incorporated as part of this Resolution by this reference. This acceptance does not constitute the Board of Directors’ adoption of any of the Proposed Rates set forth in the Study.

**SECTION 3. Proposed Rates.**

That the Proposed Rates are those set forth in Section 4.4, Table 14 (page 19) of the Study; and the proposed Drought Stage Surcharges are those set forth in Section 4.4, Table 15 (Page 20).

**SECTION 4. Public Hearing.**

That a Public Hearing regarding the Proposed Rates shall be held on the date of the District’s regularly scheduled meeting of the Board of Directors as follows:

**Date:** Tuesday, July 21, 2026  
**Time:** 6:00 p.m., or as soon thereafter as the matter may be heard  
**Location:** Victorville City Council Chambers, 14343 Civic Drive, Victorville, CA 92392

**SECTION 5. Preparation and Mailing of Notices in Accordance with Proposition 218.**

That District Staff (in consultation with District Counsel) is directed to prepare and mail a Notice of Public Hearing containing information about the Proposed Rates; the date and time of the Public Hearing; protest procedures; and such other matters as required by the applicable provisions of Proposition 218, to the record owners of each identified parcel upon which the Proposed Rates are to be imposed. Such Public Hearing Notice shall be mailed not later than June 4, 2026, to ensure compliance with Proposition 218’s mandated minimum advance notice of forty-five (45) days.

**SECTION 6. Inclusion of Written Objection/Exhaustion Procedures in Notices.**

That District Staff (in consultation with District Counsel) is further directed, pursuant to Government Code Sections 53759.1 and 53759.2, and in accordance with Resolution No. VWD-26-011 adopted concurrently herewith, to include the Written Objection/Exhaustion of Administrative Remedies procedure in the Notice of Public Hearing.

**SECTION 7. Hearing Date Notice Publication.**

That the District Secretary shall also provide notice of the date, time, place and subject matter of the Public Hearing on the Proposed Rates by publishing such information in accordance with Government Code section 6062a, and by posting such information (or a copy of the Notice of Public Hearing prepared and mailed in accordance with Section 5 of this Resolution) not less than ten (10) days in advance of the date of the Public Hearing, on the City's website and other locations customarily used by the District for the posting of public hearing notices.

**SECTION 8. Effective Date.**

That this Resolution shall take effect immediately upon its adoption.

**SECTION 9. Certification.**

That the District Secretary shall certify to the passage and adoption of this Resolution.

## **Exhibit 1**

Water Rate Study

---

# VICTORVILLE WATER DISTRICT

---



---

## WATER RATE STUDY REPORT

---

*May 2026*



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

# Table of Contents

- 1 Executive Summary ..... 1**
  - 1.1 Introduction ..... 1
  - 1.2 Rate Study Objectives ..... 1
  - 1.3 Current and Proposed Water Rates ..... 2
- 2 Background, Rate Study Process, and Legal Requirements..... 3**
  - 2.1 Background ..... 3
  - 2.2 Rate Study Process ..... 4
  - 2.3 Constitutional Requirements for Rates..... 5
- 3 Financial Plan..... 6**
  - 3.1 Financial Overview ..... 6
  - 3.2 Financial Plan Assumptions..... 6
  - 3.3 Key Drivers of Rate Increases ..... 7
  - 3.4 Cash Flow Projections ..... 11
- 4 Cost of Service Analysis and Rate Derivation..... 14**
  - 4.1 Functional Cost Allocation ..... 14
  - 4.2 Customer Summary..... 15
  - 4.3 Rate Design Analysis..... 16
  - 4.4 Proposed Water Rates ..... 19
  - 4.5 Customer Bill Impacts ..... 20
  - 4.1 Regional Water Rate Survey..... 22
- 5 Appendix ..... 23**

# LIST OF TABLES

Table 1 – Current and Proposed Water Rates.....2

Table 2 – Operating and Maintenance Cost Inflation .....8

Table 3 – 10-Year Capital Improvement Program .....9

Table 4 – Five Year Reserve Fund Targets ..... 10

Table 5 – Proposed Rate Revenue Increases..... 11

Table 6 – Detailed Cash Flow Projections..... 13

Table 7 –Revenue Requirement by Cost Allocation Category..... 14

Table 8 –Water Consumption by Customer Class ..... 15

Table 9 –Number of Customers by Meter Size and Customer Class..... 15

Table 10 – Fixed Rate Derivation..... 17

Table 11 – Domestic and Recycled Water Volumetric Rate Derivation ..... 18

Table 12 – Untreated Water Rate Derivation..... 18

Table 13 – Construction/Flow and Intertie Volumetric Rate Derivation..... 19

Table 14 – Proposed Water Rates ..... 19

Table 15 – Drought Surcharges ..... 20

# LIST OF FIGURES

Figure 1 – Cost-of-Service Rate Study Process .....4

Figure 2 – Operating and Maintenance Cost Projection .....8

Figure 3 – Capital Improvements .....9

Figure 4 – Projected Reserves Funds vs. Targets..... 11

Figure 5 – Projected Revenue vs. Expenses ..... 12

Figure 6 – Single-Family Residential Water Bill Comparison..... 20

Figure 7 – Multi-Family Residential Water Bill Comparison..... 21

Figure 8 – Commercial Water Bill Comparison..... 21

Figure 9 – Single-Family Residential Regional Water Bill Comparison (Average Monthly Water Use 12 HCF) ..... 22



# 1 EXECUTIVE SUMMARY

---

## 1.1 Introduction

Victorville Water District (“District”) retained Bartle Wells Associates (BWA) to prepare a comprehensive Water Rate Study (Study) for potable and reclaimed water services, to ensure the District’s rate structures are financially sustainable, fair, transparent and comply with Proposition 218. In this study, BWA worked collaboratively with District staff to develop a long-term financial plan, recommendations and an updated water rate schedule for the next five years. The rates developed in this study focus on Fiscal Year (FY) 2026/27 and the next four years, through FY 2030/31. The financial plan was prepared for the ten-year period of FY 2025/26 through FY 2034/35, which include revenue, expense, reserve fund projections and necessary rate revenue adjustments for this time period.

The revenues from the District’s water enterprise are primarily derived from charges for services. The District must establish rates and charges adequate to fund the cost of providing services, which include costs for operations and maintenance, as well as capital improvements needed to keep the District’s utility infrastructure in a safe and reliable operating condition.

The District has provided proactive financial stewardship by raising rates annually to keep revenues in line with the costs of providing water service. Those rate increases have enabled the District to maintain its financial health. The prior rate increases strengthened the financial condition of the water enterprise and continued rate adjustments will be needed to adequately fund the operations, maintenance, necessary improvements, and to ensure the District maintains its strong financial position in the future.

## 1.2 Rate Study Objectives

Key goals and objectives of this study include developing rates that:

- Recover the costs of providing service, including operating, maintenance and capital improvement needs;
- Are proportionate, fair, and equitable to all customers;
- Are easy to understand and implement;
- Comply with the substantive requirements of the California Constitution, Article 13D, Section 6 (which was adopted by the voters as Proposition 218 in 1996).
- Support the long-term operational and financial stability of the District.

BWA worked closely with District staff to incorporate information and input, evaluate alternatives, and develop recommendations. This report summarizes key findings and recommendations for water rates over the next five years.

### 1.3 Current and Proposed Water Rates

The District intends to implement the proposed rates on August 1, 2026 and every July 1<sup>st</sup> thereafter over the next four years. The following table shows the current and proposed water rates.

**Table 1 – Current and Proposed Water Rates**

| Monthly Water Rates                | Current    | Proposed   |            |            |            |            |
|------------------------------------|------------|------------|------------|------------|------------|------------|
|                                    | FY 2025/26 | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 |
| <b>Fixed Service Charges</b>       |            |            |            |            |            |            |
| 3/4 inch                           | \$25.81    | \$24.58    | \$25.56    | \$26.59    | \$27.65    | \$28.76    |
| 1 inch                             | \$39.48    | \$35.74    | \$37.17    | \$38.66    | \$40.20    | \$41.81    |
| 1.5 inch                           | \$73.66    | \$63.64    | \$66.19    | \$68.83    | \$71.59    | \$74.45    |
| 2 inch                             | \$114.67   | \$97.12    | \$101.00   | \$105.04   | \$109.25   | \$113.62   |
| 3 inch                             | \$224.03   | \$286.84   | \$298.31   | \$310.25   | \$322.66   | \$335.56   |
| 4 inch                             | \$347.06   | \$498.88   | \$518.84   | \$539.59   | \$561.17   | \$583.62   |
| 6 inch                             | \$688.81   | \$789.04   | \$820.60   | \$853.43   | \$887.56   | \$923.07   |
| 8 inch                             | \$1,919.12 | \$1,570.24 | \$1,633.05 | \$1,698.37 | \$1,766.31 | \$1,836.96 |
| 10 inch                            | \$2,876.03 | \$2,518.84 | \$2,619.59 | \$2,724.38 | \$2,833.35 | \$2,946.69 |
| 12 inch                            | \$2,876.03 | \$3,076.84 | \$3,199.91 | \$3,327.91 | \$3,461.03 | \$3,599.47 |
| <b>Consumption Rates (per hcf)</b> |            |            |            |            |            |            |
| Single-Family Residents (SFR):     |            |            |            |            |            |            |
| Tier 1 (1 - 6 hcf)                 | \$0.80     |            |            |            |            |            |
| Tier 2 (7+ hcf)                    | \$2.44     |            |            |            |            |            |
| Uniform Rate (all hcf)             |            | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| All Other Customers:               |            |            |            |            |            |            |
| Standard Domestic Water (Non SFR)  | \$2.42     | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| Construction Flow Meter/Intertie   | \$4.01     | \$3.89     | \$4.04     | \$4.21     | \$4.37     | \$4.55     |
| Well (Untreated) Water             | \$0.82     | \$1.65     | \$1.71     | \$1.78     | \$1.85     | \$1.93     |
| Reclaimed/Recycled Water           | \$1.45     | \$1.86     | \$1.93     | \$2.01     | \$2.09     | \$2.18     |
| <b>Fire Fixed Service Charges</b>  |            |            |            |            |            |            |
| 1 inch                             | \$6.45     | \$8.49     | \$8.83     | \$9.18     | \$9.55     | \$9.93     |
| 1.5 inch                           | \$7.59     | \$9.14     | \$9.51     | \$9.89     | \$10.28    | \$10.69    |
| 2 inch                             | \$8.96     | \$9.92     | \$10.32    | \$10.73    | \$11.16    | \$11.60    |
| 3 inch                             | \$13.30    | \$14.34    | \$14.91    | \$15.51    | \$16.13    | \$16.78    |
| 4 inch                             | \$21.30    | \$19.28    | \$20.05    | \$20.85    | \$21.69    | \$22.55    |
| 6 inch                             | \$41.86    | \$26.04    | \$27.08    | \$28.16    | \$29.29    | \$30.46    |
| 8 inch                             | \$69.28    | \$44.24    | \$46.01    | \$47.85    | \$49.76    | \$51.75    |
| 10 inch                            | \$105.84   | \$66.34    | \$68.99    | \$71.75    | \$74.62    | \$77.61    |
| 12 inch                            | \$105.84   | \$79.34    | \$82.51    | \$85.81    | \$89.25    | \$92.82    |

## 2 BACKGROUND, RATE STUDY PROCESS, AND LEGAL REQUIREMENTS

---

### 2.1 Background

The Victorville Water District, a subsidiary district of the City of Victorville, serves more than 39,000 customer connections across an 85-square-mile service area, providing both potable and reclaimed water. The District relies primarily on local groundwater supplies from the Upper Mojave River Basin and has implemented ongoing infrastructure improvements to maintain system reliability and meet future demand. The District's water system consists of potable and reclaimed water mains and related distribution infrastructure that delivers water to residential, commercial, and industrial customers, and includes the following infrastructure:

- Over 775 miles of potable water mains
- 34 active groundwater wells
- 24 potable water storage tanks
- 4 booster stations
- 33 pressure-reducing stations
- 3 water treatment plants
- 8.5 miles of reclaimed water mains
- 1 reclaimed water storage tank

The District's water utility is a financially self-supporting enterprise. Revenues are derived primarily from rates. As such, the District's water rates must be set at adequate levels to fund the costs of providing service and:

- Fund ongoing operating and maintenance expenses
- Fund the capital improvement projects and associated increased operating costs
- Provide funding for system maintenance and upgrades
- Address regulatory requirements

Rates were last adjusted in July 2025 in accordance with the five-year rate plan established in the District's prior rate study, completed in May 2021. The rate increases identified in that Study helped strengthen the financial position of the District. However, current rates are no longer sufficient to support the District's projected operating, maintenance and capital investment needs. This is due to several factors, including ongoing inflationary pressures on goods and services, escalating construction costs, and the need to comply with evolving regulatory requirements.

This Study was developed concurrently with, and in coordination with, the District's 2026 Water Master Plan, which is currently in draft form. The updated Master Plan identifies the capital investments required over the next ten years to maintain reliable service, address system needs, and meet regulatory standards. The scale and timing of these improvements are a primary driver of the revenue requirements evaluated in this Study and underscore the necessity of updating rates to ensure the District can continue to provide safe, reliable, and financially sustainable water service.

## 2.2 Rate Study Process

The general process used for this cost-of-service rate study is summarized in the following figure.

**Figure 1 – Cost-of-Service Rate Study Process**



Key elements of the study include:

- 1) **Project Initiation and Data Collection** – Review financial policies; collect financial and other relevant data; and review existing rate structures;
- 2) **Demand Analysis** – Analyze past customer demands and customer characteristics to forecast future demands;
- 3) **Financial Plan** – Develop financial projections to evaluate annual revenue requirement from rates and the overall level of rate increases needed to fund the costs of providing service and support long-term financial stability;
- 4) **Cost Allocation** – Group the District’s costs in terms of the function they serve as a basis to proportionally allocate the revenue requirement from rates;
- 5) **Cost-of-Service Rate Design** – Develop rates that proportionately recover costs; and
- 6) **Proposition 218 Implementation Process** – Ensure compliance with the procedural requirements of Proposition 218, which includes: noticing customers, collecting protests, responding to objections, and holding a public hearing prior to implementing proposed rates.

The process that BWA used for the District’s study followed industry standard and principles of rate making embodied in the American Water Works Association’s *Principles of Water Rates, Fees and Charges* (M1 Manual). The rate study also addresses the substantive requirements of Proposition 218 that rates must not exceed the cost of providing service and that rates be proportionate to the cost of providing service for all customers.

## 2.3 Constitutional Requirements for Rates

The water rates proposed in this report are designed to comply with two key articles of the California Constitution: Article 13D, as explained below.

Proposition 218 was adopted by California voters in 1996 and added Articles 13C and 13D to the California Constitution. Article 13D, Section 6 governs property-related charges. Article 13D, Section 6 establishes both a) procedural requirements for imposing or increasing property-related charges, and b) substantive requirements for those charges. Article 13D requires voter approval for new or increased property-related charges but exempts rates for water, wastewater, and garbage service from this voting requirement if rates are adopted by the appropriate procedure and meet the substantive requirements. This study recommends water rates that are designed to comply with the requirements of Proposition 218.

The substantive requirements of Article 13D, section 6, require property-related charges, such as the District's water rates, to meet the following conditions:

- 1) Revenues derived from the fee or charge shall not exceed the costs required to provide the property-related service.
- 2) Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- 3) The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- 4) No fee or charge may be imposed for a service unless that service is used by or, immediately available to the property in question.
- 5) No fee or charge may be imposed for general governmental services, such as police or fire services, where the service is available to the public at large in substantially the same manner as it is to property owners.

## 3 FINANCIAL PLAN

---

### 3.1 Financial Overview

BWA conducted an independent evaluation of the District's financial condition and concluded that it has historically operated in a sound financial position. However, aging infrastructure, ongoing capital improvement needs, and sustained cost inflation are placing increasing pressure on the District's finances. As a result, prudent and timely rate adjustments are necessary to preserve financial stability, support continued system reliability, and ensure the District can meet its operational and regulatory obligations.

Key observations of this evaluation include:

- The District relies primarily on revenues from water rates to fund the costs of providing water service. Approximately 80 to 85 percent of revenues to the District come from water rates. As such, rates must be set at adequate levels to fund the costs of operating and maintaining the water system and to fund necessary capital improvements to keep the water system in good operating condition.
- Operating and maintenance expenses are expected to total \$40.3 million in FY 2026/27. Operating and maintenance expenses are expected to increase by approximately 3.5% overall in future years.
- The District projects capital expenses of over \$76 million from FY 2025/26 through FY 2035/36, which is nearly \$7 million on average per year during that time period.
- BWA recommends the District maintain sufficient reserve funds. Overall, the District should maintain approximately \$23 to \$25 million in overall reserve funds throughout the rate period. The recommended targets for each reserve fund are discussed later in this report.

### 3.2 Financial Plan Assumptions

The financial projections incorporate the latest information available and several reasonable and slightly conservative assumptions for planning purposes. Key assumptions include:

#### Revenue Assumptions

- Revenue to the District is based on budgeted revenues for Fiscal Year 2025/26 and 2026/27. An escalation factor is applied to estimate revenue in future years that range from 0% to 3% depending on the source of revenue.
- Customer growth and future water use from new customers is projected to increase by 1% annually.
- Plan check fee revenues are projected to increase by 3% annually and operating cost recovery revenues by 3% annually.
- Rates proposed will be effective on August 1, 2026, with rate adjustments planned to become effective on July 1 of each of the subsequent four years.
- Interest earnings are projected based on the estimated annual beginning fund balance multiplied by the projected interest rate, which is 2.28%. The interest rate projections are based on the five year average

interest rate for funds invested in the LAIF (the Local Agency Investment Fund through the California Treasurer’s office).

### Expense Assumptions

- Operating and maintenance costs are primarily based on the FY 2025/26 and 2026/27 budget, with an additional 4% escalation factor applied to labor costs to account for increases to the Cost-of-Living Adjustment (COLA).
- Operating and maintenance costs are projected to escalate between 3% to 18% per year to account for cost inflation, depending on the type of expense. The cost escalation factors are in line with the District’s assumptions, and overall operating and maintenance costs are projected to increase on average by approximately 3.5% per year.
- Capital improvement costs are based on the most recent engineering cost estimates, which account for estimated construction cost inflation.

## 3.3 Key Drivers of Rate Increases

The District is facing several manageable financial challenges that will drive the need for rate increases in upcoming years. Key drivers of future rate increases are summarized below.

### *Ongoing Operating and Maintenance Cost Inflation*

The District faces annual cost inflation due to annual increases in a range of expenses including water supply, utilities, labor, etc. Annual rate increases are needed to keep revenues aligned with cost inflation and prevent rates from falling behind the cost of providing service. In general, water utility cost inflation has historically been higher than the Consumer Price Index (CPI) for consumer goods and services. Historically, cost inflation has typically remained consistently around 3%, but recently, inflation has reached forty-year highs with the CPI and Engineering News Record Construction Cost Inflation (ENR CCI)<sup>1</sup> exceeding 7% in 2022. It is not expected that inflation will remain at such high levels in the future. Operating cost inflation for the District is projected to vary from 3% to 18%, depending on the type of expense, which is in line with the District’s budget inflationary projections. Table 2 below shows the cost inflation factors used for various types of expenses to develop the projection of operating and maintenance costs in future years. In FY 2031/32 and beyond, the cost inflation factors are consistent with FY 2030/31. Figure 2 shows the overall total of estimated operating and maintenance costs through Fiscal Year 2035/36. Overall, operating and maintenance costs escalate by approximately 3.5% annually.

---

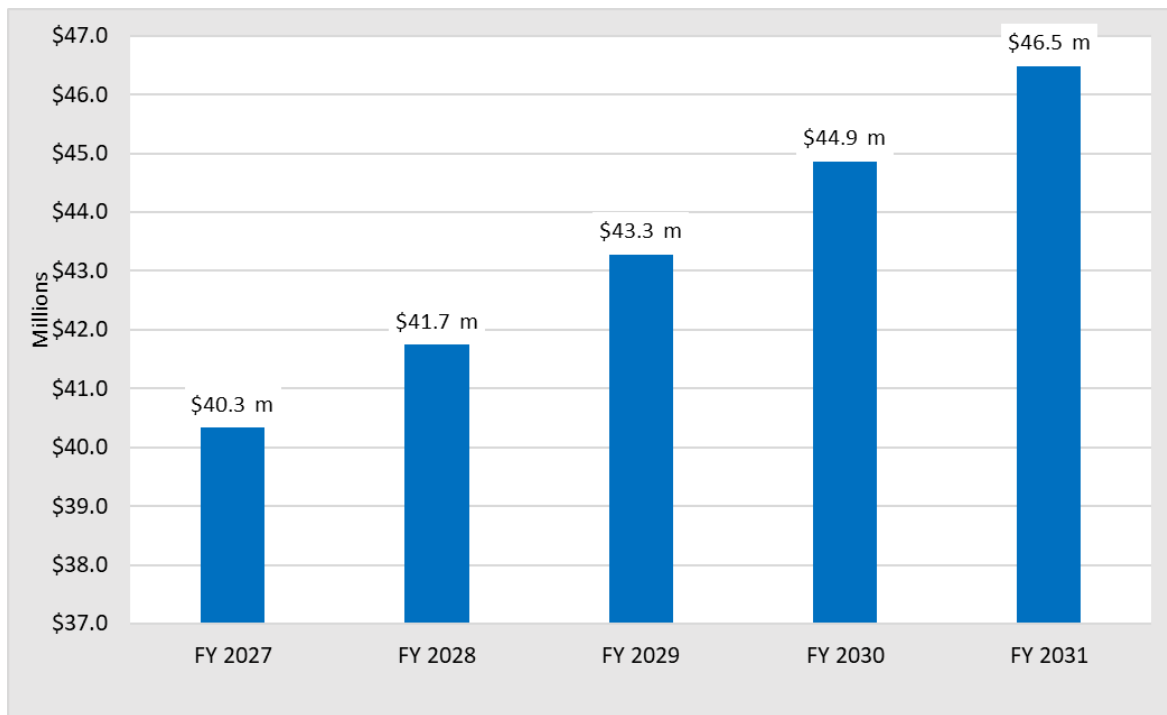
<sup>1</sup> The **ENR CCI** measures the cost of construction using a standardized set of materials and labor across 20 U.S. cities. It includes components such as common labor, skilled labor, structural steel, portland cement, and 2x4 lumber. The index is widely used to track construction cost trends and adjust project budgets for inflation.

**Table 2 – Operating and Maintenance Cost Inflation**

| Cost Inflation Factor                         | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-----------------------------------------------|---------|---------|---------|---------|---------|
| General                                       | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| None                                          | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| General - Travel & Meetings                   | 3.50%   | 3.50%   | 3.50%   | 3.50%   | 3.50%   |
| Labor                                         | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| Fuel                                          | 5.00%   | 5.00%   | 5.00%   | 5.00%   | 5.00%   |
| Utilities - Electric/Natural Gas/Sanitation   | 5.00%   | 5.00%   | 5.00%   | 5.00%   | 5.00%   |
| Utilities - Production Power                  | 7.50%   | 7.50%   | 7.50%   | 7.50%   | 7.50%   |
| R-Cubed Water                                 | 4.50%   | 4.50%   | 4.50%   | 4.50%   | 4.50%   |
| Admin & Bio Assessment <sup>1</sup>           | 10.11%  | 10.11%  | 10.11%  | 10.11%  | 10.11%  |
| Groundwater Replenishment & Makeup Obligation | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| Meter Service Installation & Changeouts       | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| HDPP Reimbursement                            | 8.30%   | 17.79%  | 17.83%  | 17.87%  | 17.91%  |

1. Admin and Bio Assessment cost inflation is equal to the historical five year average change in cost.

**Figure 2 – Operating and Maintenance Cost Projection**





### Capital Improvement Funding Needs

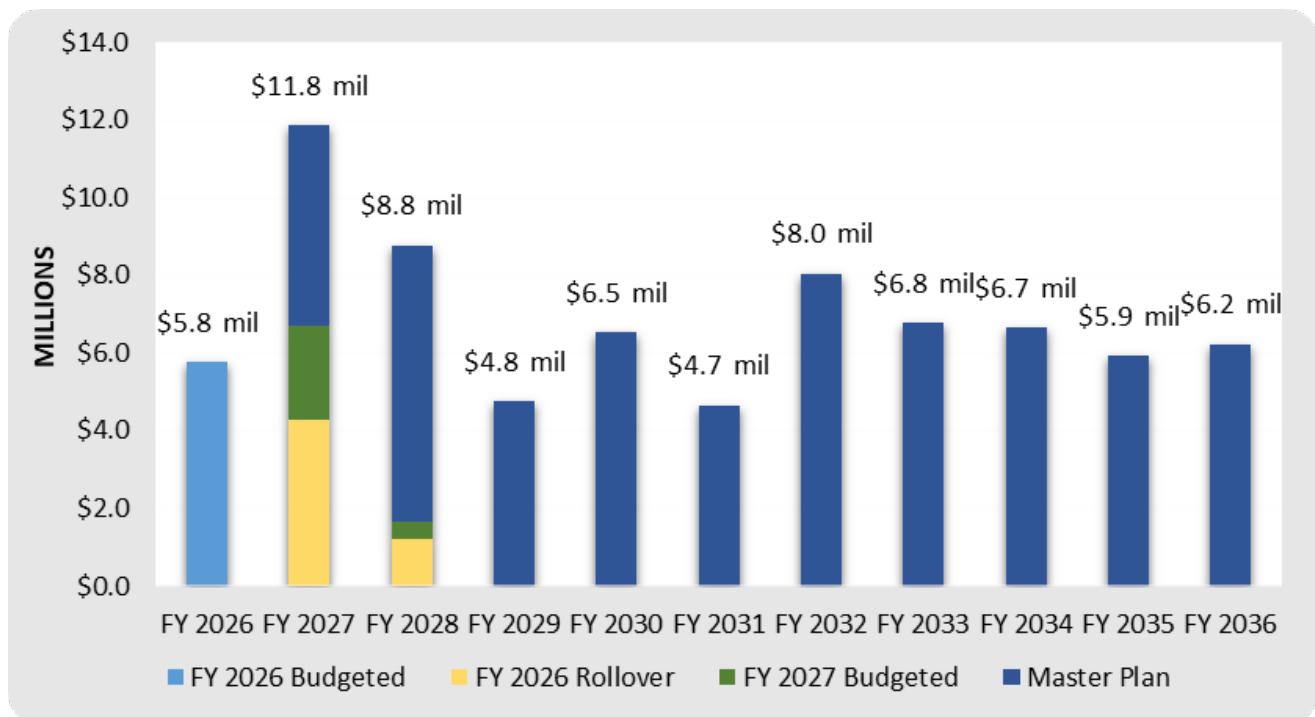
The District takes a proactive approach to maintaining its water system, which requires ongoing repair and improvement projects. Accounting for construction cost inflation, the District anticipates funding over \$42.3 million of capital improvement projects in the current year and over the next five years. For the entire eleven-year period evaluated in this study which coincides with the District's recent Water Master Plan, the District anticipates funding nearly \$76 million in capital improvement projects overall. The District's capital improvement costs are summarized in the table below. The District's detailed capital improvement projects and associated costs are shown in the Appendix to this report.

**Table 3 – 10-Year Capital Improvement Program**

| CIP Project Summary     | FY 2026            | FY 2027             | FY 2028            | FY 2029            | FY 2030            | FY 2031            | FY 2032            | FY 2033            | FY 2034            | FY 2035            | FY 2036            |
|-------------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>FY 2026 Budgeted</b> | \$5,759,244        | \$0                 | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>FY 2026 Rollover</b> | \$0                | \$4,276,552         | \$1,200,000        | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>FY 2027 Budgeted</b> | \$0                | \$2,436,407         | \$432,500          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Master Plan</b>      | \$0                | \$5,133,000         | \$7,135,000        | \$4,751,630        | \$6,528,409        | \$4,653,000        | \$8,041,492        | \$6,765,837        | \$6,650,912        | \$5,910,739        | \$6,221,341        |
| <b>Total</b>            | <b>\$5,759,244</b> | <b>\$11,845,959</b> | <b>\$8,767,500</b> | <b>\$4,751,630</b> | <b>\$6,528,409</b> | <b>\$4,653,000</b> | <b>\$8,041,492</b> | <b>\$6,765,837</b> | <b>\$6,650,912</b> | <b>\$5,910,739</b> | <b>\$6,221,341</b> |

The following figure visually depicts the capital improvement costs over the next ten years.

**Figure 3 – Capital Improvements**



### Water Reserve Funds

The District should maintain sufficient reserve funds in order to provide a financial cushion for dealing with unanticipated expenses, revenue shortfalls, and non-catastrophic emergency capital repairs. The District's current reserve policy requires that the following level of cash reserves are held within the District's reserve funds:

1. Operating Reserve: 90 days of operating and maintenance expenses – less costs related to water purchases and the HD Power Plant – for the operating reserve, which is \$8 million.
2. Other Post-Employment Benefits (OPEB) Reserve: \$10 million.
3. Capital Rehabilitation & Replacement Reserve: equal to 3% of net assets, which is \$5 million.

BWA reviewed and confirms these reserve fund targets are appropriate and in line with industry standards. The financial plan developed in this study is designed to maintain this level of reserve funds throughout the rate planning period. In developing these targets, FY 2025/26 expenses are used as the base year, and they are increased by inflation consistent with expenses in all future years. Table 4 below summarizes reserve fund targets through FY 2030/31.

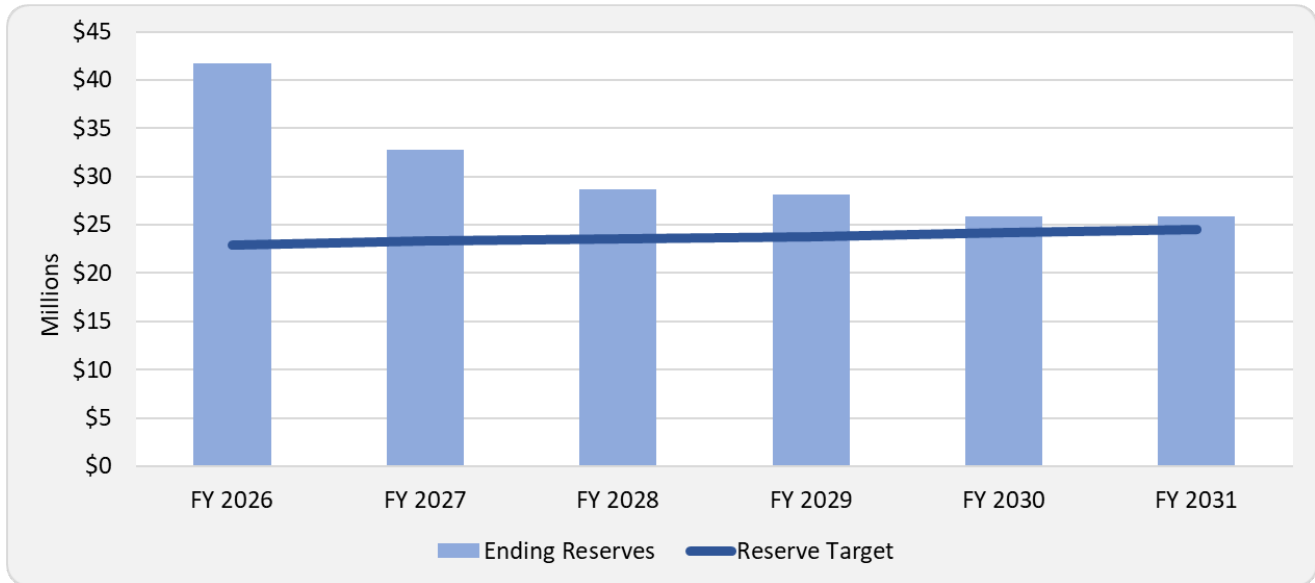
**Table 4 – Five Year Reserve Fund Targets**

| Reserve Fund Targets                 | FYE 2026          | FYE 2027          | FYE 2028          | FYE 2029          | FYE 2030          | FYE 2031          |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating                            | \$8.1 mil         | \$8.2 mil         | \$8.5 mil         | \$8.8 mil         | \$9.2 mil         | \$9.6 mil         |
| Capital Rehabilitation & Replacement | \$4.9 mil         | \$5.1 mil         | \$5.0 mil         | \$4.9 mil         | \$5.0 mil         | \$4.9 mil         |
| OPEB                                 | \$10.0 mil        | \$10.0 mil        | \$10.0 mil        | \$10.0 mil        | \$10.0 mil        | \$10.0 mil        |
| <b>Total</b>                         | <b>\$23.0 mil</b> | <b>\$23.3 mil</b> | <b>\$23.5 mil</b> | <b>\$23.7 mil</b> | <b>\$24.2 mil</b> | <b>\$24.5 mil</b> |

With the rate revenue adjustments proposed in this study, the District is projected to draw down its reserve funds over the next six years to fund its capital improvement program and will maintain reserve funds at recommended levels after that point. The projected balance will level off at or around the target starting in FY 2029/30. Figure 4 visually depicts the projected reserve fund balance and total minimum reserve fund target. While the District is projected to end the current fiscal year with approximately \$41.7 million in reserve funds, reserve funds are projected to be at approximately \$25.6 million at the end of Fiscal Year 2030/31, which would be slightly over the minimum reserve target.

Looking ahead, if the District implements the rate adjustments proposed in this study, maintains expenses at current planned levels and implements the rate increases proposed for the ten-year planning period evaluated in this Study, the District is projected to maintain its reserve funds at or close to recommended levels over this time period.

**Figure 4 – Projected Reserves Funds vs. Targets**



### 3.4 Cash Flow Projections

Cash flow projections were developed based on assumptions and the key drivers of future rate increases described previously. The projections were used to determine the water utility’s annual revenue requirements and project required rate revenue increases. The cash flow projections incorporate the latest information available from the District’s budget, annual reports, capital spending projections, metered water demand data, as well as several reasonable assumptions developed with input from the District. The overall rate revenue increases are designed to fund the District’s cost of providing service, maintain a balanced budget, and maintain prudent reserves. The projections indicate the need for increases to rate revenue on an annual basis and are shown in Table 5 below. Actual impacts on customers’ water bills will vary in the first year based on meter size and water use, due to the outcome of the updated cost-of-service analysis and proposed change in rate structure.

**Table 5 – Proposed Rate Revenue Increases**

| Fiscal Year | Rate Revenue Increase |
|-------------|-----------------------|
| 2026/27     | 4.0%                  |
| 2027/28     | 4.0%                  |
| 2028/29     | 4.0%                  |
| 2029/30     | 4.0%                  |
| 2030/31     | 4.0%                  |

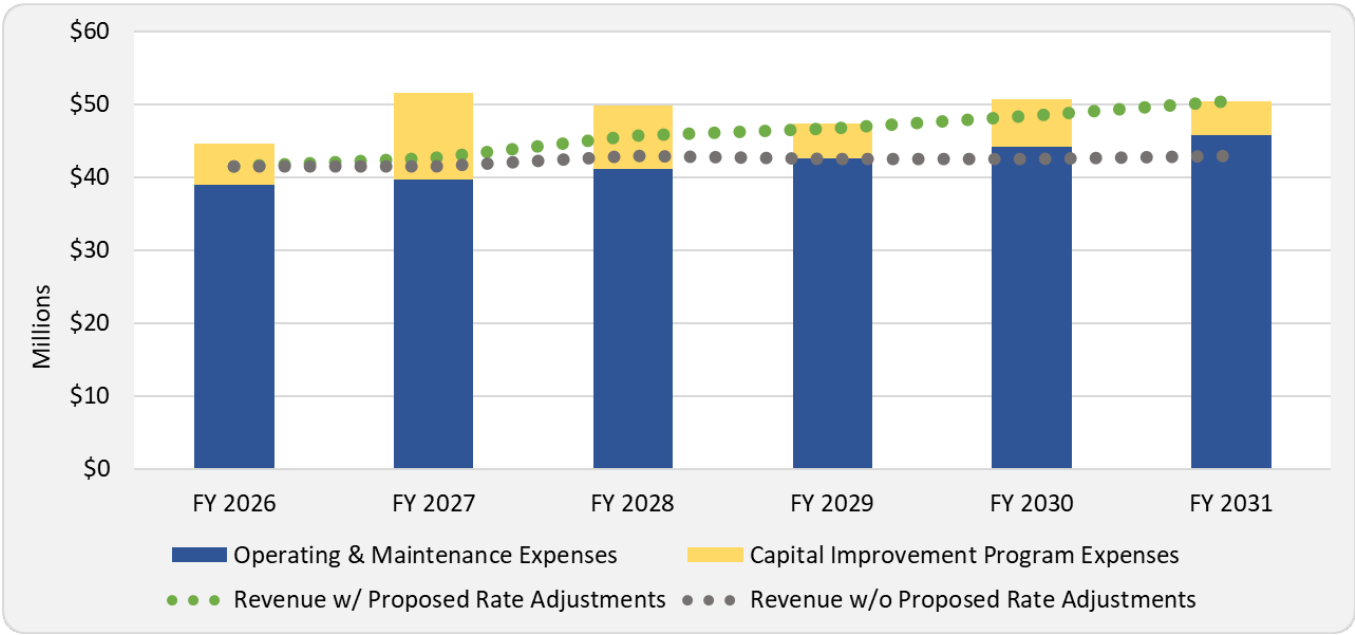
In future years, the District can re-evaluate its finances and revenue requirements and adjust rates as needed based on updated projections. However, while the District always has the flexibility to implement rate adjustments that are lower than adopted pursuant to Proposition 218, future rates cannot exceed adopted

increases without going through the Proposition 218 process again. Rates adopted pursuant to Proposition 218 are essentially future rate caps.

Figure 5 presents projected expenses alongside revenues with and without the proposed rate adjustments over the next five years. While rate adjustments are recommended through FY 2030/31, the Study evaluated a ten-year planning horizon and indicates that similar annual increases are likely to be needed beyond the initial five-year period.

Consistent with statutory requirements, rates may only be adopted for a five-year term. As a result, projected rates for years six through ten are not presented, as they will be revisited and refined in future studies. Nonetheless, the extended ten-year analysis was performed to confirm that, based on current planning assumptions, the District can implement measured and stable rate adjustments over time while maintaining long-term financial sustainability.

Figure 5 – Projected Revenue vs. Expenses



Detailed cash flow projections for the next five years are shown in the following table.

**Table 6 – Detailed Cash Flow Projections**

| Water Cash Flow Projection        | FY 2026               | FY 2027               | FY 2028               | FY 2029              | FY 2030               | FY 2031              |
|-----------------------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|----------------------|
| Projected Demand Growth           |                       | 1.0%                  | 1.0%                  | 1.0%                 | 1.0%                  | 1.0%                 |
| Rate Revenue Increases            |                       | 4.0%                  | 4.0%                  | 4.0%                 | 4.0%                  | 4.0%                 |
| <b>Beginning Reserve Balance</b>  | <b>\$44,832,468</b>   | <b>\$41,671,504</b>   | <b>\$32,765,530</b>   | <b>\$28,617,478</b>  | <b>\$27,980,879</b>   | <b>\$25,661,111</b>  |
| <b>Revenues</b>                   |                       |                       |                       |                      |                       |                      |
| <b>Rate Revenue</b>               |                       |                       |                       |                      |                       |                      |
| Current Rate Revenue              | \$ 33,032,582         | \$ 33,362,908         | \$ 33,696,537         | \$ 34,033,502        | \$ 34,373,837         | \$ 34,717,575        |
| Revenue from Rate Increases       | -                     | 1,223,307             | 2,749,637             | 4,249,559            | 5,838,690             | 7,521,663            |
| Total Revenue Required from Rates | \$ 33,032,582         | \$ 34,586,214         | \$ 36,446,174         | \$ 38,283,061        | \$ 40,212,527         | \$ 42,239,239        |
| <b>Non-Rate Revenue</b>           |                       |                       |                       |                      |                       |                      |
| Miscellaneous <sup>1</sup>        | \$ 2,867,207          | \$ 2,730,308          | \$ 2,674,792          | \$ 2,618,675         | \$ 2,306,488          | \$ 2,285,049         |
| Interest                          | 2,048,091             | 948,360               | 745,678               | 651,277              | 636,789               | 583,996              |
| Other Charges/Fees <sup>2</sup>   | 3,562,400             | 4,368,338             | 5,836,650             | 5,162,302            | 5,209,130             | 5,257,181            |
| Total Non-Rate Revenue            | \$ 8,477,698          | \$ 8,047,006          | \$ 9,257,119          | \$ 8,432,254         | \$ 8,152,407          | \$ 8,126,226         |
| <b>Total Revenues</b>             | <b>\$ 41,510,279</b>  | <b>\$ 42,633,220</b>  | <b>\$ 45,703,293</b>  | <b>\$ 46,715,315</b> | <b>\$ 48,364,935</b>  | <b>\$ 50,365,465</b> |
| <b>Total Expenses</b>             |                       |                       |                       |                      |                       |                      |
| <b>Operating Expenses</b>         |                       |                       |                       |                      |                       |                      |
| Total Operating Expenses          | \$ 38,912,000         | \$ 39,693,235         | \$ 41,083,845         | \$ 42,600,284        | \$ 44,156,294         | \$ 45,748,725        |
| <b>Non-Operating Expenses</b>     |                       |                       |                       |                      |                       |                      |
| Rate Funded Capital               | 5,759,244             | 11,845,959            | 8,767,500             | 4,751,630            | 6,528,409             | 4,653,000            |
| <b>Total Expenses</b>             | <b>\$ 44,671,244</b>  | <b>\$ 51,539,194</b>  | <b>\$ 49,851,345</b>  | <b>\$ 47,351,914</b> | <b>\$ 50,684,703</b>  | <b>\$ 50,401,725</b> |
| <b>Revenues Less Expenses</b>     | <b>\$ (3,160,965)</b> | <b>\$ (8,905,974)</b> | <b>\$ (4,148,052)</b> | <b>\$ (636,599)</b>  | <b>\$ (2,319,768)</b> | <b>\$ (36,260)</b>   |
| <b>Ending Reserve Balance</b>     | <b>\$ 41,671,504</b>  | <b>\$ 32,765,530</b>  | <b>\$ 28,617,478</b>  | <b>\$ 27,980,879</b> | <b>\$ 25,661,111</b>  | <b>\$ 25,624,852</b> |
| Reserve Fund Target               | 22,952,614            | 23,309,703            | 23,522,004            | 23,741,707           | 24,150,448            | 24,465,660           |

1. Miscellaneous revenue is primarily from a repayment by the City of Victorville's Sewer fund to the Water District and approximately \$40,000 in other miscellaneous revenues.

2. Other Charges/Fees consists of revenue from various sources such as permit and plan check fees, penalty/late fees, meter installations, service calls, etc. Details for all sources of revenue can be found in the Appendix pages 4-6.

## 4 COST OF SERVICE ANALYSIS AND RATE DERIVATION

### 4.1 Functional Cost Allocation

The first step in the cost-of-service analysis is to assign water system costs in each allocation category for revenue recovery to the cost components of readiness-to-serve and water supply. While there is no single correct approach for cost allocation, BWA's experience has shown that costs should be allocated within a reasonable range that reflects both a) underlying cost causation, to the extent such causation can reasonably be determined or estimated, and b) the preferences of the agency in cases where a range of reasonable approaches can be justified. This process is intended to proportionately allocate costs to each functional component to determine the revenue requirement for that component. The allocations to each functional component were based on typical industry standards and input from District staff. Costs from the District's budget organizations are allocated to the cost allocation categories and they are used to develop the proposed water rates. The cost allocation uses Fiscal Year 2026/27 as the base year.

The cost components are described as follows:

- **Commodity** reflects costs associated with the volume of water delivered to customers.
- **Capacity** reflects fixed operating and capital costs related to system capacity.
- **Customer** reflects costs associated with having customers connected to the water system such as meter reading, billing and customer service.
- **Recycled** reflects costs associated with the recycled water system.
- **Fire** reflects costs associated with providing private fire protection.

The following table shows a breakdown of the utility's expenses are allocated to the cost allocation categories, the number of units and measure used as the basis for allocating costs to components of the proposed rates and the unit cost for each cost component .

**Table 7 –Revenue Requirement by Cost Allocation Category**

| Cost Allocation Category | FY 2026/27<br>Revenue | Units     | Units of Measure          | Unit Cost |
|--------------------------|-----------------------|-----------|---------------------------|-----------|
|                          | Requirement           |           |                           |           |
| Commodity                | \$20,313,669          | 8,893,551 | HCF of Domestic water use | \$2.28    |
| Capacity                 | 9,857,915             | 49,080    | Equivalent Meters/month   | \$16.74   |
| Customer                 | 3,642,758             | 38,711    | Customers/month           | \$7.84    |
| Recycled                 | 545,591               | 293,193   | HCF of Recycled water use | \$1.86    |
| Fire                     | 226,281               | 48,362    | Equivalent Meters/month   | \$0.39    |
| <b>Total</b>             | <b>\$34,586,214</b>   |           |                           |           |

## 4.2 Customer Summary

The tables below summarize the District's current customer characteristics, including water consumption by class and customer count by meter size.

**Table 8 –Water Consumption by Customer Class**

| Customer Class                    | FY 2026/27<br>Estimated <sup>1</sup> | % of Total     |
|-----------------------------------|--------------------------------------|----------------|
| Single Family Residential         | 5,363,382                            | 57.63%         |
| Standard Domestic Water (Non SFR) | 3,524,762                            | 37.88%         |
| Construction Flow Meter/Intertie  | 119,302                              | 1.28%          |
| Fire                              | -                                    | 0.00%          |
| Well (Untreated) Water            | 5,408                                | 0.06%          |
| Reclaimed/Recycled Water          | 293,193                              | 3.15%          |
| <b>Total</b>                      | <b>9,306,046</b>                     | <b>100.00%</b> |

1. Any differences in water consumption by customer class compared to percentage of total are due to rounding.

**Table 9 –Number of Customers by Meter Size and Customer Class**

| Meter Size   | Single<br>Family<br>Residential | All Other<br>Standard<br>Domestic | Well     | Recycled | Fire       | Total<br>Meters |
|--------------|---------------------------------|-----------------------------------|----------|----------|------------|-----------------|
| 3/4"         | 34,045                          | 942                               | -        | -        | -          | 34,987          |
| 1"           | 1,288                           | 592                               | -        | -        | 21         | 1,901           |
| 1.5"         | 2                               | 497                               | -        | 2        | -          | 501             |
| 2"           | 1                               | 520                               | 1        | 1        | 8          | 531             |
| 3"           | -                               | 65                                | -        | 2        | 1          | 68              |
| 4"           | -                               | 45                                | -        | -        | 89         | 134             |
| 6"           | -                               | 22                                | -        | -        | 158        | 180             |
| 8"           | -                               | 25                                | 2        | -        | 330        | 357             |
| 10"          | -                               | 1                                 | -        | -        | 45         | 46              |
| 12"          | -                               | -                                 | -        | 2        | 4          | 6               |
| <b>Total</b> | <b>35,336</b>                   | <b>2,709</b>                      | <b>3</b> | <b>7</b> | <b>656</b> | <b>38,711</b>   |

## 4.3 Rate Design Analysis

### *Fixed Meter Charges*

The District charges all customer classes a fixed monthly charge based on meter size. The fixed meter charge has two components, a customer component that does not vary based on meter size, which is intended to reflect the cost of having customer connected the water system and a capacity component that reflects the capacity cost of each size meter connected to the water system and is proportional to the hydraulic capacity of each size meter that is reflected in a meter equivalent unit. Larger meters have higher system demands compared to smaller meters; therefore, the capacity component of the fixed charge is scaled based on meter size. To provide an example of this, a 4-inch meter has a greater capacity or potential demand than a 3/4-inch meter. Therefore, the capacity component of the fixed charge for a 4-inch meter is higher than a 3/4-inch meter based on their proportionate capacity requirements. A “meter equivalent unit” is calculated by dividing the maximum capacity of large meters by the capacity of the base meter size which is a 3/4-inch meter, the District’s most common residential meter size.

The hydraulic capacity factors for each meter size used in this study are based on standards established by the American Water Works Association. These factors were updated to reflect the hydraulic capacity of ultrasonic Neptune Technology Group meters, which are the District’s current standard for new installations and replacement of existing customer meters. Currently, the District’s 3/4-inch through 2-inch meters consist of a combination of positive displacement and ultrasonic meters, while all 3-inch and larger meters are ultrasonic.

The number of meters by size is multiplied by the corresponding hydraulic capacity factor to calculate the total number of equivalent meters. The number of equivalent meters is used as a proxy for the potential demand that each customer can place on the water system which dictates the sizing of the system’s maximum capacity. A significant portion of a water system’s peak capacity and, in turn, the utility’s fixed operating and capital costs, are related to meeting system capacity requirements.

Fire service customers will still be subject to a different set of fixed charges than the other customer classes because fire service is more of a standby nature where a readiness-to-serve charge is more appropriate. Except in the event of a fire, these customers are not intended to use water on a regular basis. However, the District still needs to provide sufficient capacity for fire meters and recover other operating and maintenance costs for providing water to such properties for private fire service protection. Based on the cost-of-service analysis and the standby nature of fire meters, the overall cost to serve these users is less than that of a standard service; therefore, the fixed charges are less.

Table 10 shows the fixed monthly meter charges that were developed. The Customer and Capacity costs from Table 7 were used to calculate the charges for each size meter.



**Table 10 – Fixed Rate Derivation**

| Meter Size                       | Number of Meters | 3/4" Meter Equivalent | Total Equivalent Meters | Customer Costs (\$/Meter/month) | Capacity Costs (\$/Meter/month) | Total Fixed Meter Charge (\$/Meter/month) | Estimated Revenue from Fixed Charges <sup>1</sup> |
|----------------------------------|------------------|-----------------------|-------------------------|---------------------------------|---------------------------------|-------------------------------------------|---------------------------------------------------|
| <i>Formula for Calculation</i>   | <i>A</i>         | <i>B</i>              | <i>A x B</i>            | <i>C = \$7.84</i>               | <i>D = \$16.74 x B</i>          | <i>E = C + D</i>                          | <i>A x E x 12</i>                                 |
| <b>Standard Meters</b>           |                  |                       |                         |                                 |                                 |                                           |                                                   |
| 3/4 inch                         | 34,987           | 1.00                  | 34,987                  | \$7.84                          | \$16.74                         | \$24.58                                   | \$10,319,766                                      |
| 1 inch                           | 1,880            | 1.67                  | 3,133                   | \$7.84                          | \$27.90                         | \$35.74                                   | 806,294                                           |
| 1.5 inch                         | 501              | 3.33                  | 1,670                   | \$7.84                          | \$55.80                         | \$63.64                                   | 382,604                                           |
| 2 inch                           | 523              | 5.33                  | 2,789                   | \$7.84                          | \$89.28                         | \$97.12                                   | 609,525                                           |
| 3 inch                           | 67               | 16.67                 | 1,117                   | \$7.84                          | \$279.00                        | \$286.84                                  | 230,619                                           |
| 4 inch                           | 45               | 29.33                 | 1,320                   | \$7.84                          | \$491.04                        | \$498.88                                  | 269,395                                           |
| 6 inch                           | 22               | 46.67                 | 1,027                   | \$7.84                          | \$781.20                        | \$789.04                                  | 208,307                                           |
| 8 inch                           | 27               | 93.33                 | 2,520                   | \$7.84                          | \$1,562.40                      | \$1,570.24                                | 508,758                                           |
| 10 inch                          | 1                | 150.00                | 150                     | \$7.84                          | \$2,511.00                      | \$2,518.84                                | 30,226                                            |
| 12 inch                          | 2                | 183.33                | 367                     | \$7.84                          | \$3,069.00                      | \$3,076.84                                | 73,844                                            |
| <b>Subtotal: Standard Meters</b> | <b>38,055</b>    |                       | <b>49,080</b>           |                                 |                                 |                                           | <b>\$13,439,338</b>                               |
| <b>Fire Meters</b>               |                  |                       |                         |                                 |                                 |                                           |                                                   |
| 1 inch                           | 21               | 1.67                  | 35                      | \$7.84                          | \$0.65                          | \$8.49                                    | \$2,139                                           |
| 1.5 inch                         | -                | 3.33                  | -                       | \$7.84                          | \$1.30                          | \$9.14                                    | 0                                                 |
| 2 inch                           | 8                | 5.33                  | 43                      | \$7.84                          | \$2.08                          | \$9.92                                    | 952                                               |
| 3 inch                           | 1                | 16.67                 | 17                      | \$7.84                          | \$6.50                          | \$14.34                                   | 172                                               |
| 4 inch                           | 89               | 29.33                 | 2,611                   | \$7.84                          | \$11.44                         | \$19.28                                   | 20,591                                            |
| 6 inch                           | 158              | 46.67                 | 7,373                   | \$7.84                          | \$18.20                         | \$26.04                                   | 49,372                                            |
| 8 inch                           | 330              | 93.33                 | 30,800                  | \$7.84                          | \$36.40                         | \$44.24                                   | 175,190                                           |
| 10 inch                          | 45               | 150.00                | 6,750                   | \$7.84                          | \$58.50                         | \$66.34                                   | 35,824                                            |
| 12 inch                          | 4                | 183.33                | 733                     | \$7.84                          | \$71.50                         | \$79.34                                   | 3,808                                             |
| <b>Subtotal: Fire Meters</b>     | <b>656</b>       |                       | <b>48,362</b>           |                                 |                                 |                                           | <b>\$288,049</b>                                  |
| <b>Total Meters</b>              | <b>38,711</b>    |                       | <b>97,441</b>           |                                 |                                 |                                           | <b>\$13,727,387</b>                               |

1. Slight deviation in dollar amount due to rounding.

### Volumetric Charges

Currently, the District charges single-family residential customers a two-tier volumetric rate. All other customer groups are charged a uniform volumetric rate that varies by customer type, including other domestic water customers, recycled water customers, untreated well customers, construction flow meters, and intertie connections. In this study, BWA worked with District staff and legal counsel and recommends adopting a uniform volumetric rate for all domestic water customers, while continuing to apply customer-type-specific uniform volumetric rates to other customer groups, consistent with the District's existing rate structure. The tables and descriptions that follow explain how these volumetric charges were developed.

The Domestic and Recycled water volumetric rate derivation was shown previously in Table 7, but is restated in Table 11. These rates are calculated by taking the revenue requirement and dividing by the expected water consumption from Domestic and Recycled water customers for FY 2026/27.

**Table 11 – Domestic and Recycled Water Volumetric Rate Derivation**

| Cost Allocation Category     | Revenue Requirement | Estimated Consumption | Volumetric Rate |
|------------------------------|---------------------|-----------------------|-----------------|
| Commodity/Domestic Water Use | \$20,313,669        | 8,893,551             | \$2.28          |
| Recycled Water               | 545,591             | 293,193               | \$1.86          |

Table 12 shows the volumetric rate derivation for customers that receive untreated well water. There are currently three meters connected to the wells that produce untreated water, two are at the Green Tree Golf Course and one is at Grady Trammel Park. Since these connections receive untreated water, only applicable costs are allocated to them which include: pumping power, personnel, maintenance and watermaster costs. These customers only pay a volumetric charge for water consumed since when the District took over operation of the three former City wells, these customers came to the system with water rights.

**Table 12 – Untreated Water Rate Derivation****Average Annual Production <sup>1</sup>**

|                                 |            |
|---------------------------------|------------|
| Water Production (in acre feet) | 171.64     |
| Biological/Administrative Fee   | x \$6.86   |
| Watermaster Cost                | \$1,177.45 |

|                               |            |
|-------------------------------|------------|
| Water Production (in gallons) | 55,929,139 |
| Water Production (in hcf)     | 74,766     |

**Costs Allocated to Untreated Well Customers <sup>1</sup>**

|                               |                  |
|-------------------------------|------------------|
| Power - SCE                   | \$55,445         |
| Personnel                     | \$36,500         |
| Annual Maintenance            | \$30,000         |
| Watermaster Costs             | \$1,177          |
| <b>Total Cost</b>             | <b>\$123,123</b> |
| Water Production (in hcf)     | ÷ 74,766         |
| <b>Proposed Rate (\$/hcf)</b> | <b>\$1.65</b>    |

*1. Slight deviation in dollar amounts and units due to rounding.*

Table 13 shows the derivation of the volumetric rate for Construction/Flow meter customers and intertie connections. Because these customers use water on an irregular and unpredictable basis, they pay only a volumetric charge based on the amount used. This charge is set to the revenue requirement for water consumed by all customers divided by estimated water consumed by Construction/Flow meter customers to capture some of the monthly fixed charge costs not billed for these meters.

**Table 13 – Construction/Flow and Intertie Volumetric Rate Derivation****Average Cost of Water**

|                             |               |
|-----------------------------|---------------|
| Revenue Requirement         | \$34,586,214  |
| Estimated Water Consumption | 8,893,551     |
| <b>Cost Per HCF</b>         | <b>\$3.89</b> |

**4.4 Proposed Water Rates**

The following table shows a schedule of current vs. proposed water rates for the next five years. The first rate adjustment will be effective on August 1, 2026 and all future rate adjustments will be effective July 1 in each year.

**Table 14 – Proposed Water Rates**

| Monthly Water Rates                | Current    | Proposed   |            |            |            |            |
|------------------------------------|------------|------------|------------|------------|------------|------------|
|                                    | FY 2025/26 | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 |
| <b>Fixed Service Charges</b>       |            |            |            |            |            |            |
| 3/4 inch                           | \$25.81    | \$24.58    | \$25.56    | \$26.59    | \$27.65    | \$28.76    |
| 1 inch                             | \$39.48    | \$35.74    | \$37.17    | \$38.66    | \$40.20    | \$41.81    |
| 1.5 inch                           | \$73.66    | \$63.64    | \$66.19    | \$68.83    | \$71.59    | \$74.45    |
| 2 inch                             | \$114.67   | \$97.12    | \$101.00   | \$105.04   | \$109.25   | \$113.62   |
| 3 inch                             | \$224.03   | \$286.84   | \$298.31   | \$310.25   | \$322.66   | \$335.56   |
| 4 inch                             | \$347.06   | \$498.88   | \$518.84   | \$539.59   | \$561.17   | \$583.62   |
| 6 inch                             | \$688.81   | \$789.04   | \$820.60   | \$853.43   | \$887.56   | \$923.07   |
| 8 inch                             | \$1,919.12 | \$1,570.24 | \$1,633.05 | \$1,698.37 | \$1,766.31 | \$1,836.96 |
| 10 inch                            | \$2,876.03 | \$2,518.84 | \$2,619.59 | \$2,724.38 | \$2,833.35 | \$2,946.69 |
| 12 inch                            | \$2,876.03 | \$3,076.84 | \$3,199.91 | \$3,327.91 | \$3,461.03 | \$3,599.47 |
| <b>Consumption Rates (per hcf)</b> |            |            |            |            |            |            |
| Single-Family Residents (SFR):     |            |            |            |            |            |            |
| Tier 1 (1 - 6 hcf)                 | \$0.80     |            |            |            |            |            |
| Tier 2 (7+ hcf)                    | \$2.44     |            |            |            |            |            |
| Uniform Rate (all hcf)             |            | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| All Other Customers:               |            |            |            |            |            |            |
| Standard Domestic Water (Non SFR)  | \$2.42     | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| Construction Flow Meter/Intertie   | \$4.01     | \$3.89     | \$4.04     | \$4.21     | \$4.37     | \$4.55     |
| Well (Untreated) Water             | \$0.82     | \$1.65     | \$1.71     | \$1.78     | \$1.85     | \$1.93     |
| Reclaimed/Recycled Water           | \$1.45     | \$1.86     | \$1.93     | \$2.01     | \$2.09     | \$2.18     |
| <b>Fire Fixed Service Charges</b>  |            |            |            |            |            |            |
| 1 inch                             | \$6.45     | \$8.49     | \$8.83     | \$9.18     | \$9.55     | \$9.93     |
| 1.5 inch                           | \$7.59     | \$9.14     | \$9.51     | \$9.89     | \$10.28    | \$10.69    |
| 2 inch                             | \$8.96     | \$9.92     | \$10.32    | \$10.73    | \$11.16    | \$11.60    |
| 3 inch                             | \$13.30    | \$14.34    | \$14.91    | \$15.51    | \$16.13    | \$16.78    |
| 4 inch                             | \$21.30    | \$19.28    | \$20.05    | \$20.85    | \$21.69    | \$22.55    |
| 6 inch                             | \$41.86    | \$26.04    | \$27.08    | \$28.16    | \$29.29    | \$30.46    |
| 8 inch                             | \$69.28    | \$44.24    | \$46.01    | \$47.85    | \$49.76    | \$51.75    |
| 10 inch                            | \$105.84   | \$66.34    | \$68.99    | \$71.75    | \$74.62    | \$77.61    |
| 12 inch                            | \$105.84   | \$79.34    | \$82.51    | \$85.81    | \$89.25    | \$92.82    |

BWA developed drought surcharges as shown in Table 15 that the District can implement if needed, if it enters into various stages of drought. These surcharges are intended to be added to the volumetric rates for all customers except those receiving recycled water. These surcharge are intended to recover the revenue that will be lost if water sales are reduced to the stated conservation targets.

**Table 15 – Drought Surcharges**

| Drought Stages   | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 |
|------------------|------------|------------|------------|------------|------------|
| 10% Conservation | \$0.06     | \$0.07     | \$0.07     | \$0.08     | \$0.08     |
| 20% Conservation | \$0.11     | \$0.13     | \$0.13     | \$0.13     | \$0.13     |
| 30% Conservation | \$0.11     | \$0.13     | \$0.13     | \$0.14     | \$0.14     |
| 40% Conservation | \$0.22     | \$0.23     | \$0.23     | \$0.23     | \$0.24     |
| 50% Conservation | \$0.66     | \$0.68     | \$0.68     | \$0.68     | \$0.67     |

## 4.5 Customer Bill Impacts

The following figures present the monthly bill impacts for residential and commercial customers under existing rates and the proposed rates for FY 2026/27 at various usage levels, for the most common meter size in each customer class. Additional charts can be found in the Appendix for a more diverse range of customer classes and consumption levels.

**Figure 6 – Single-Family Residential Water Bill Comparison**

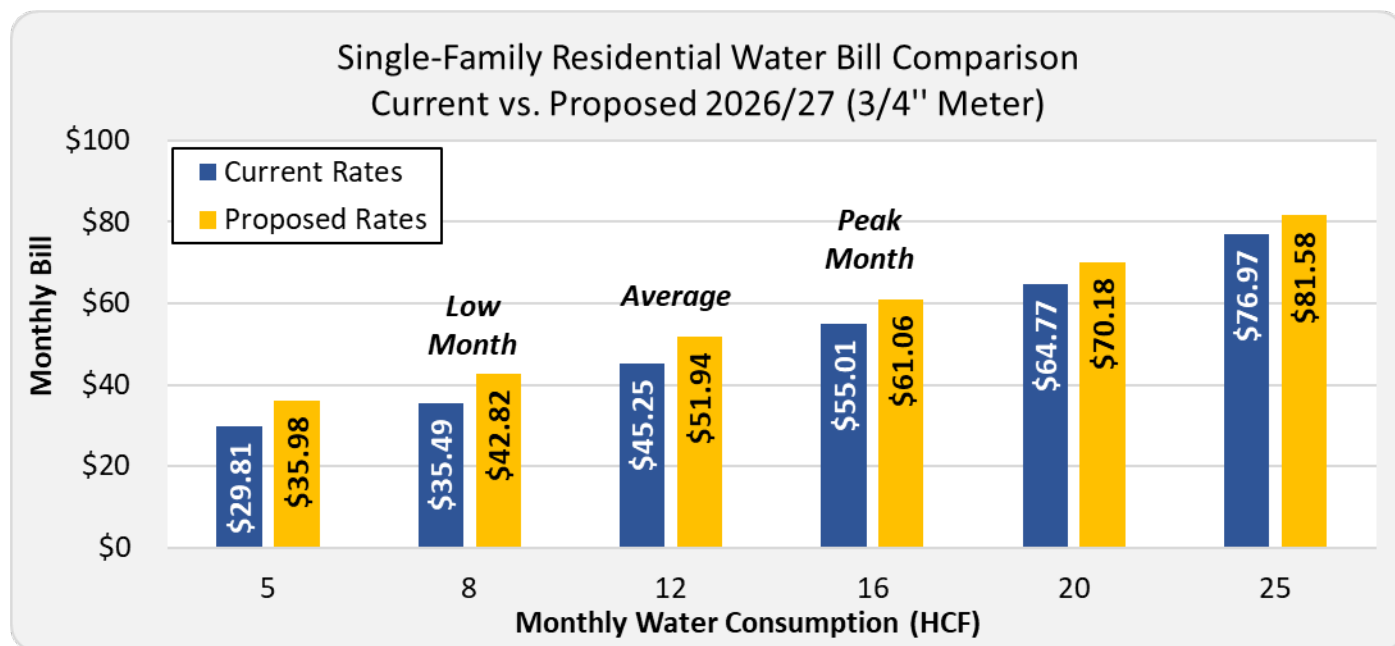


Figure 7 – Multi-Family Residential Water Bill Comparison

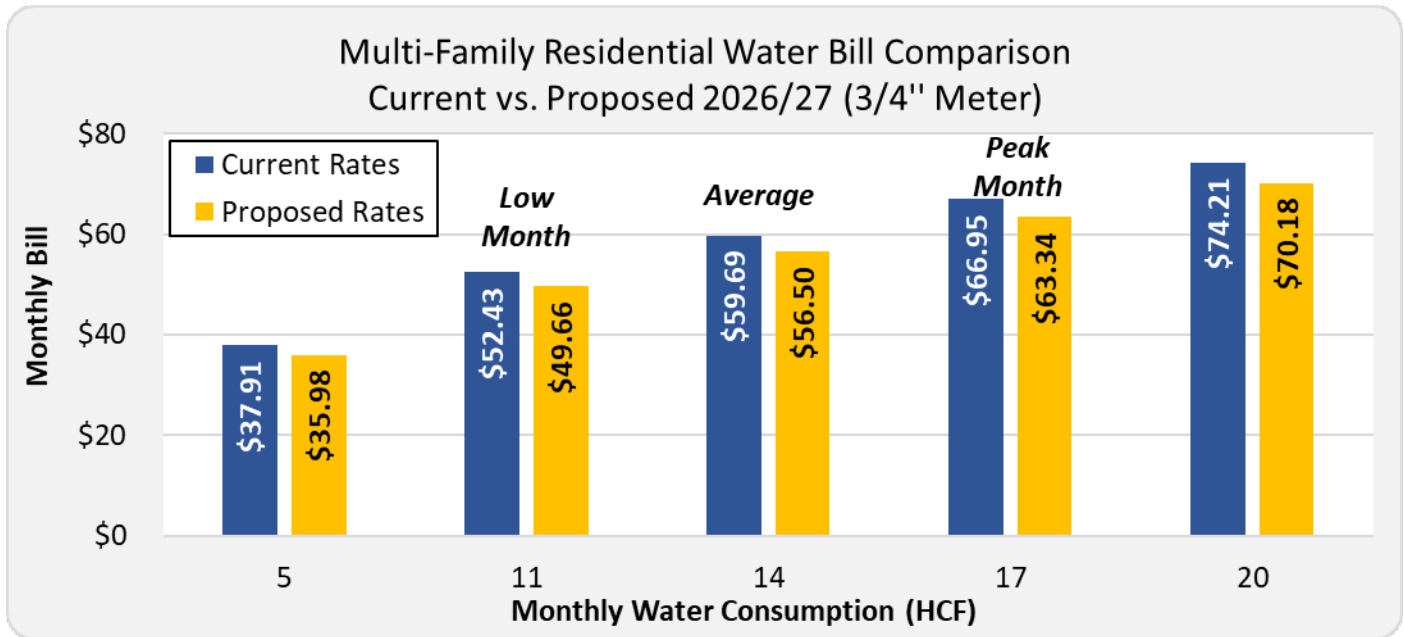
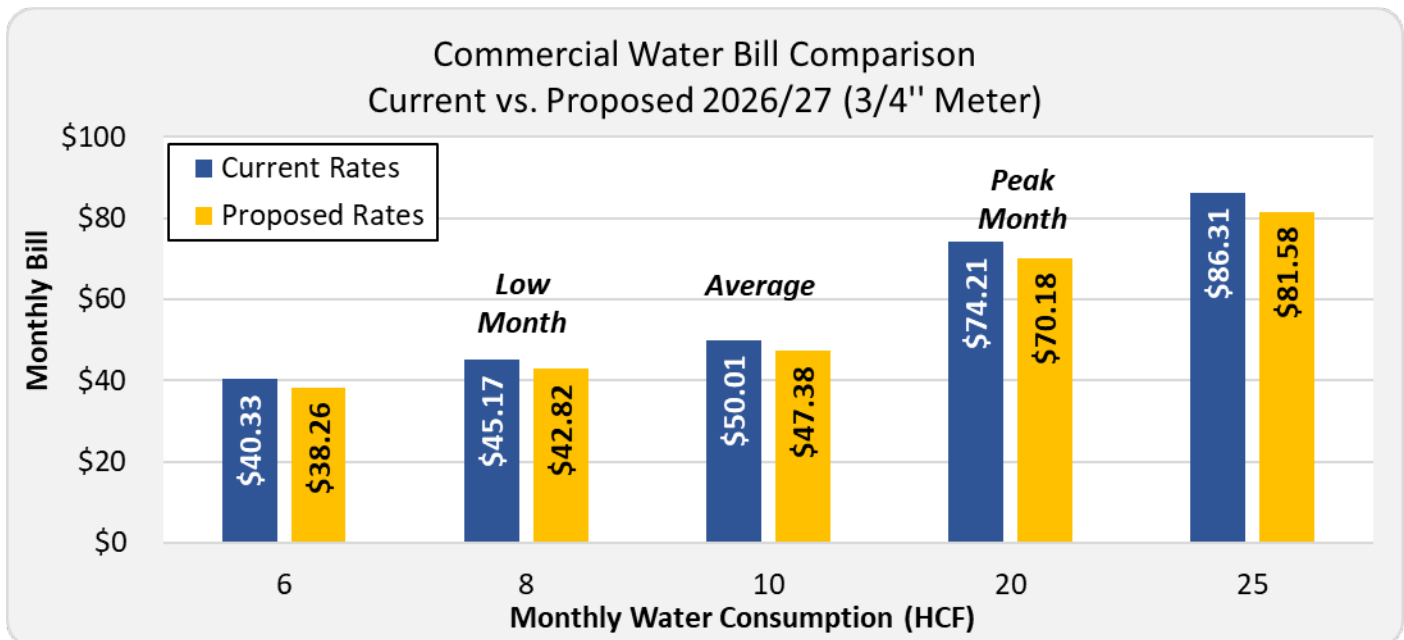


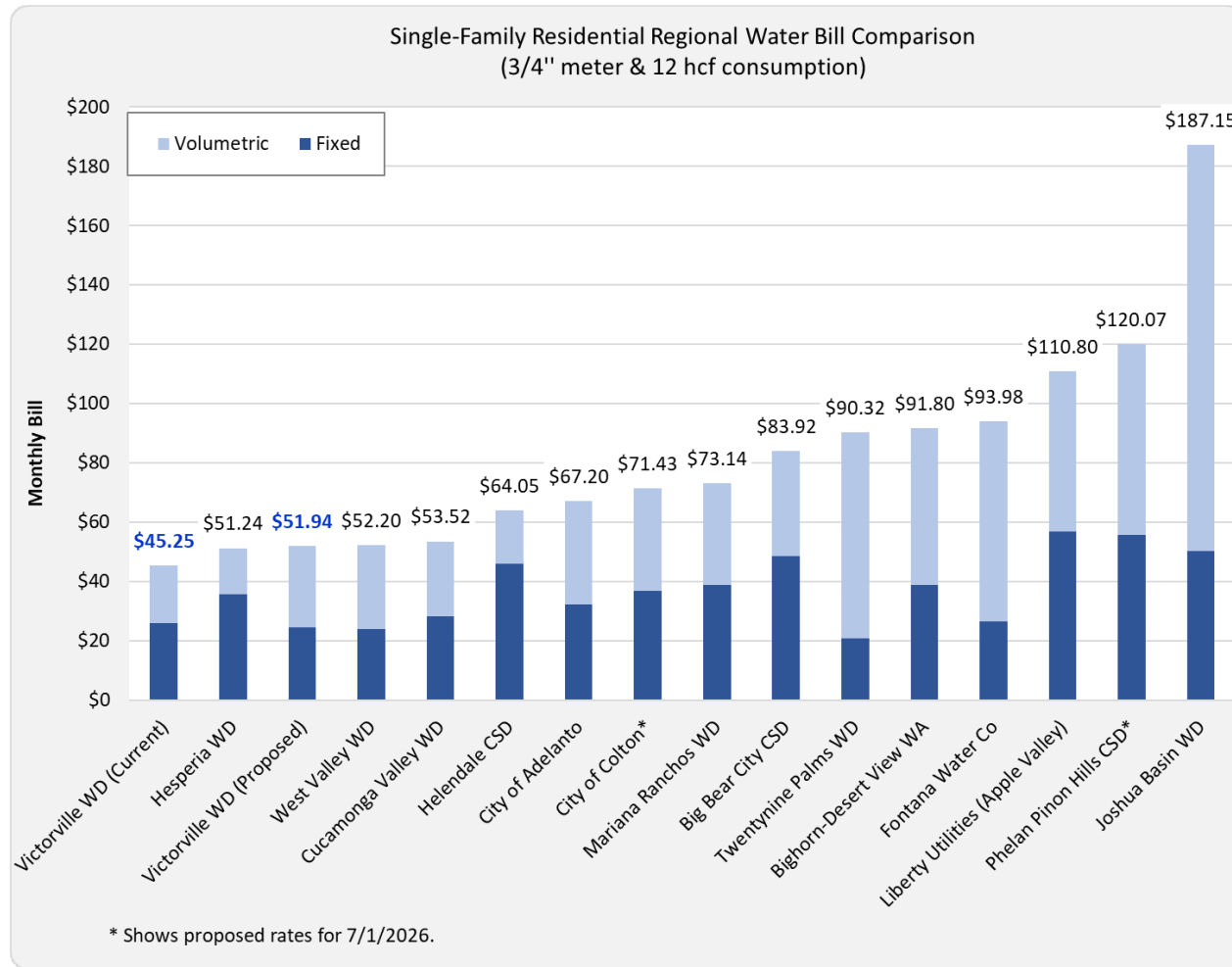
Figure 8 – Commercial Water Bill Comparison



## 4.1 Regional Water Rate Survey

The following figure compares the monthly water bills for a typical single-family residential home to those of other regional agencies. Currently, the District's cost of providing water to a typical single-family residential home is the lowest in the region and with the rate adjustments proposed in this study, it will remain lower than all but one other agency. The proposed bill amount shown is for FY 2026/27.

**Figure 9 – Single-Family Residential Regional Water Bill Comparison (Average Monthly Water Use 12 HCF)**



## 5 APPENDIX

---

The following pages contain the detailed tables and charts from the Water Rate Study

**Table 1**  
**Victorville Water District**  
**Current Water Rates**

| <b>Current Monthly Water Rates</b>     | <b>FYE 2025</b> | <b>FYE 2026</b> |
|----------------------------------------|-----------------|-----------------|
| <b>Periodic Availability Charge</b>    |                 |                 |
| 3/4"                                   | \$22.96         | \$25.81         |
| 1"                                     | 35.12           | 39.48           |
| 1.5"                                   | 65.51           | 73.66           |
| 2"                                     | 101.99          | 114.67          |
| 3"                                     | 199.26          | 224.03          |
| 4"                                     | 308.69          | 347.06          |
| 6"                                     | 612.67          | 688.81          |
| 8"                                     | 1,706.99        | 1,919.12        |
| >8"                                    | 2,558.12        | 2,876.03        |
| <b>Consumptive Rates (per hcf)</b>     |                 |                 |
| Single-Family Residents (SFR):         |                 |                 |
| Tier 1 (1 - 6 hcf)                     | \$0.81          | \$0.80          |
| Tier 2 (7+ hcf)                        | 2.44            | 2.44            |
| All Other Customers:                   |                 |                 |
| Standard Domestic Water (Non SFR)      | 2.47            | 2.42            |
| Construction Flow Meter/Intertie/Fire  | 3.89            | 4.01            |
| Well (Untreated) Water                 | 0.84            | 0.82            |
| Reclaimed/Recycled Water               | 1.48            | 1.45            |
| <b>Fire Period Availability Charge</b> |                 |                 |
| 3/4"                                   | \$4.72          | \$5.30          |
| 1"                                     | 5.83            | 6.45            |
| 1.5"                                   | 6.93            | 7.59            |
| 2"                                     | 8.26            | 8.96            |
| 3"                                     | 12.47           | 13.30           |
| 4"                                     | 20.22           | 21.30           |
| 6"                                     | 40.16           | 41.86           |
| 8"                                     | 66.74           | 69.28           |
| >8"                                    | 102.18          | 105.84          |



**Table 2**  
**Victorville Water District**  
**Customer Water Usage**

| <u>Annual Water Usage</u> <sup>1</sup>                 | <u>Jul-24</u>  | <u>Aug-24</u>    | <u>Sep-24</u>    | <u>Oct-24</u>  | <u>Nov-24</u>  | <u>Dec-24</u>  | <u>Jan-25</u>  | <u>Feb-25</u>  | <u>Mar-25</u>  | <u>Apr-25</u>  | <u>May-25</u>  | <u>Jun-25</u>  | <u>Total</u>     |
|--------------------------------------------------------|----------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| <u>Single-Family Residential</u>                       |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| Tier 1                                                 | 187,693        | 191,058          | 192,113          | 188,995        | 188,231        | 183,220        | 188,770        | 179,190        | 175,511        | 181,782        | 190,009        | 188,298        | 2,234,870        |
| Tier 2                                                 | 321,242        | 386,517          | 386,878          | 308,073        | 268,678        | 182,509        | 216,223        | 139,056        | 122,223        | 158,608        | 263,833        | 268,992        | 3,022,832        |
| <b>Subtotal: Single Family Residential</b>             | <b>508,935</b> | <b>577,575</b>   | <b>578,991</b>   | <b>497,068</b> | <b>456,909</b> | <b>365,729</b> | <b>404,993</b> | <b>318,246</b> | <b>297,734</b> | <b>340,390</b> | <b>453,842</b> | <b>457,290</b> | <b>5,257,702</b> |
| <u>All Other Customers</u>                             |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| <u>Standard Domestic Water (Non SFR):</u>              |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| Multi-Residential                                      | 77,376         | 85,074           | 88,421           | 71,779         | 74,512         | 60,358         | 63,806         | 51,019         | 51,095         | 55,379         | 71,344         | 67,126         | 817,289          |
| Commercial                                             | 109,433        | 114,260          | 128,735          | 103,892        | 97,024         | 86,062         | 99,677         | 89,540         | 71,740         | 84,099         | 105,773        | 98,491         | 1,188,726        |
| Institutional                                          | 95,538         | 105,728          | 113,561          | 77,067         | 71,572         | 52,904         | 58,018         | 49,511         | 39,239         | 49,880         | 80,821         | 81,873         | 875,712          |
| Irrigation                                             | 20,379         | 20,459           | 23,117           | 24,005         | 19,513         | 13,237         | 12,856         | 7,837          | 8,330          | 11,360         | 16,082         | 19,386         | 196,561          |
| Institutional Irrigation                               | 56,024         | 61,915           | 57,055           | 38,475         | 27,768         | 15,203         | 12,450         | 8,046          | 9,548          | 15,184         | 33,881         | 41,473         | 377,022          |
| <b>Subtotal: Standard Domestic Water (Non-SFR)</b>     | <b>358,750</b> | <b>387,436</b>   | <b>410,889</b>   | <b>315,218</b> | <b>290,389</b> | <b>227,764</b> | <b>246,807</b> | <b>205,953</b> | <b>179,952</b> | <b>215,902</b> | <b>307,901</b> | <b>308,349</b> | <b>3,455,310</b> |
| <u>Construction Flow Meter/Intertie/Fire:</u>          |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| Flow Meter                                             | 8,358          | 9,927            | 12,183           | 17,715         | 19,680         | 10,929         | 4,126          | 4,693          | 4,894          | 1,452          | 2,999          | 14,750         | 111,706          |
| Institutional Flow Meter                               | 183            | 161              | 303              | 183            | 276            | 863            | 179            | 1,008          | 761            | 77             | 137            | 173            | 4,304            |
| Fire                                                   | 233            | 280              | 400              | 247            | 199            | 233            | 315            | 284            | 235            | 235            | 335            | 223            | 3,219            |
| Institutional Fire                                     | 12             | 13               | 13               | 11             | 10             | 8              | 7              | 7              | 6              | 6              | 8              | 4              | 105              |
| Institutional Intertie                                 | -              | -                | -                | 1              | -              | 16             | 32             | 199            | -              | 317            | 255            | 121            | 941              |
| <b>Subtotal: Construction Flow Meter/Intertie/Fire</b> | <b>8,786</b>   | <b>10,381</b>    | <b>12,899</b>    | <b>18,157</b>  | <b>20,165</b>  | <b>12,049</b>  | <b>4,659</b>   | <b>6,191</b>   | <b>5,896</b>   | <b>2,087</b>   | <b>3,734</b>   | <b>15,271</b>  | <b>120,275</b>   |
| <u>Well (Untreated) Water:</u>                         |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| Well                                                   | -              | -                | -                | -              | -              | -              | -              | -              | -              | -              | -              | -              | -                |
| Institutional Well                                     | 934            | 1,044            | 989              | 489            | 376            | 267            | -              | 131            | 124            | 11             | 327            | 609            | 5,301            |
| <b>Subtotal: Well (Untreated)Water</b>                 | <b>934</b>     | <b>1,044</b>     | <b>989</b>       | <b>489</b>     | <b>376</b>     | <b>267</b>     | <b>-</b>       | <b>131</b>     | <b>124</b>     | <b>11</b>      | <b>327</b>     | <b>609</b>     | <b>5,301</b>     |
| <u>Reclaimed/Recycled Water:</u>                       |                |                  |                  |                |                |                |                |                |                |                |                |                |                  |
| Recycled                                               | 47,203         | 48,057           | 34,621           | 35,424         | 13,873         | 30,061         | 30,157         | 14,037         | 331            | 328            | 1,847          | 15,060         | 270,999          |
| Institutional Recycled                                 | 3,917          | 2,019            | 2,505            | 1,217          | 819            | 403            | 479            | 304            | 297            | 629            | 1,722          | 2,106          | 16,417           |
| <b>Subtotal: Reclaimed/Recycled Water</b>              | <b>51,120</b>  | <b>50,076</b>    | <b>37,126</b>    | <b>36,641</b>  | <b>14,692</b>  | <b>30,464</b>  | <b>30,636</b>  | <b>14,341</b>  | <b>628</b>     | <b>957</b>     | <b>3,569</b>   | <b>17,166</b>  | <b>287,416</b>   |
| <b>Total Water Usage:</b>                              | <b>928,525</b> | <b>1,026,512</b> | <b>1,040,894</b> | <b>867,573</b> | <b>782,531</b> | <b>636,273</b> | <b>687,095</b> | <b>544,862</b> | <b>484,334</b> | <b>559,347</b> | <b>769,373</b> | <b>798,685</b> | <b>9,126,004</b> |

<sup>1</sup> Displays annual water usage for FY 2025.

Meter Source: "VWD Meter Counts-Charges 2026" & Usage Source: "Jan-Nov 2025 Water Billing data"

**Table 3**  
**Victorville Water District**  
**Current Customers by Meter Size and Type**

| Total Customers by<br>Meter Size <sup>1</sup> | Single- Family | Multi-<br>Family | Commercial   | Institutional | Irrigation | Flow      | Fire       | Intertie | Recycled | Well     | Total         |
|-----------------------------------------------|----------------|------------------|--------------|---------------|------------|-----------|------------|----------|----------|----------|---------------|
| 3/4"                                          | 34,045         | 476              | 363          | 49            | 54         | 4         | -          |          |          |          | 34,991        |
| 1"                                            | 1,288          | 138              | 322          | 34            | 98         |           | 21         |          |          |          | 1,901         |
| 1.5"                                          | 2              | 54               | 256          | 34            | 153        |           | -          |          | 2        |          | 501           |
| 2"                                            | 1              | 43               | 307          | 60            | 110        |           | 8          |          | 1        | 1        | 531           |
| 3"                                            |                | 13               | 25           | 19            | 8          | 47        | 1          |          | 2        |          | 115           |
| 4"                                            |                | 8                | 15           | 19            | 3          |           | 89         |          |          |          | 134           |
| 6"                                            |                | 13               | 6            | 3             |            |           | 158        | 2        |          |          | 182           |
| 8"                                            |                | 8                | 3            | 6             | 8          |           | 330        | 1        |          | 2        | 358           |
| 10"                                           |                |                  |              | 1             |            |           | 45         |          |          |          | 46            |
| 12"                                           |                |                  |              |               |            |           | 4          |          | 2        |          | 6             |
| <b>Total</b>                                  | <b>35,336</b>  | <b>753</b>       | <b>1,297</b> | <b>225</b>    | <b>434</b> | <b>51</b> | <b>656</b> | <b>3</b> | <b>7</b> | <b>3</b> | <b>38,765</b> |

<sup>1</sup> Meter data is based on file name: NEW Water Meter and Service Data for Rate Adj for all meters except Fire.

2. Fire meter data is per Fire Services.xlsx, provided by District via email 4/22/26.

**Table 4**  
**Victorville Water District**  
**Revenues**

| Escalation Factors      | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-------------------------|---------|---------|---------|---------|---------|---------|
| Customer Growth         |         | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   |
| Plan Check Fee          |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Operating Cost Recovery |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Other                   |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| None                    |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |

| Revenue                               | Escalation Factor | Category                 | FY 2026           | FY 2027           | FY 2028                                 | FY 2029           | FY 2030           | FY 2031           |
|---------------------------------------|-------------------|--------------------------|-------------------|-------------------|-----------------------------------------|-------------------|-------------------|-------------------|
|                                       |                   |                          | <i>Budgeted</i>   | <i>Budgeted</i>   | <i>Projected</i>                        | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  |
| <b>4100010 - WATER - GENERAL</b>      |                   |                          |                   |                   |                                         |                   |                   |                   |
| 41280 - WATER PERMIT                  | Customer Growth   | Other Charges/Fees       | \$450,000         | \$350,000         | \$353,500                               | \$357,035         | \$360,605         | \$364,211         |
| 42150 - PENALTY/LATE FEE              | Customer Growth   | Other Charges/Fees       | 720,000           | 804,000           | 812,040                                 | 820,160           | 828,362           | 836,646           |
| 44300 - PLAN CHECK FEES               | Plan Check Fee    | Other Charges/Fees       | 79,880            | 80,000            | 82,400                                  | 84,872            | 87,418            | 90,041            |
| 44830 - WATER SALES-RESIDENTIAL       | Customer Growth   | Rate Revenue             | 12,607,200        | 13,242,603        | 13,910,030                              | 14,611,096        | 15,347,495        | 16,121,009        |
| 44840 - WATER SALES-OTHER             | Customer Growth   | Rate Revenue             | 1,393,240         | 1,463,459         | 1,537,218                               | 1,614,693         | 1,696,074         | 1,781,556         |
| 44850 - WATER SALES-BUSINESS          | Customer Growth   | Rate Revenue             | 5,889,940         | 6,186,793         | 6,498,607                               | 6,826,137         | 7,170,174         | 7,531,551         |
| 44860 - WATER - METERED SERVICE       | Customer Growth   | Rate Revenue             | 13,311,000        | 13,981,874        | 14,686,561                              | 15,426,764        | 16,204,272        | 17,020,968        |
| 44880 - WATER - FIRE SERVICE          | Customer Growth   | Rate Revenue             | 440,188           | 462,373           | 485,677                                 | 510,155           | 535,867           | 562,874           |
| 44890 - WATER - SERVICE FEES          | Customer Growth   | Rate Revenue             | 540,000           | 567,216           | 595,804                                 | 625,832           | 657,374           | 690,506           |
| 44900 - METER INSTALLATION FEES       | Customer Growth   | Other Charges/Fees       | 658,920           | 1,000,000         | 1,010,000                               | 1,020,100         | 1,030,301         | 1,040,604         |
| 44910 - SERVICE CALL FEES             | Customer Growth   | Other Charges/Fees       | 513,600           | 480,000           | 484,800                                 | 489,648           | 494,544           | 499,490           |
| 44940 - WATER STANDBY FEES            | None              | Other Charges/Fees       | 95,000            | 95,000            | 95,000                                  | 95,000            | 95,000            | 95,000            |
| 47320 - SCRAP/RECYCLABLE MATERIALS    | None              | Miscellaneous            | 10,000            | 10,000            | 10,000                                  | 10,000            | 10,000            | 10,000            |
| 47400 - MISCELLANEOUS REVENUE         | None              | Miscellaneous            | 30,000            | 5,000             | 5,000                                   | 5,000             | 5,000             | 5,000             |
|                                       |                   | <b>Subtotal 4100010:</b> | <b>36,738,968</b> | <b>38,728,319</b> | <b>40,566,636</b>                       | <b>42,496,492</b> | <b>44,522,488</b> | <b>46,649,456</b> |
| <b>4100020 - WATER-NON-OPERATING</b>  |                   |                          |                   |                   |                                         |                   |                   |                   |
| 45110 - INTEREST INCOME               | Other             | Interest                 | 1,959,096         |                   | <i>calculated based on fund balance</i> |                   |                   |                   |
| 45200 - LEASE OCCUPANCY               | Other             | Miscellaneous            | 1                 | 1                 | 1                                       | 1                 | 1                 | 1                 |
| 47100 - PASS THROUGH                  | Other             | Other Charges/Fees       | 710,000           | 800,000           | 800,000                                 | 800,000           | 800,000           | 800,000           |
| 47105 - HDPP PASS THROUGH             | Other             | Other Charges/Fees       | 1,285,466         | 1,285,466         | 1,285,466                               | 1,285,466         | 1,285,466         | 1,285,466         |
| 47400 - MISCELLANEOUS REVENUE         | Other             | Miscellaneous            | 30,000            | 4,999             | 4,999                                   | 4,999             | 4,999             | 4,999             |
| 52380 - PASS THRU AGREEMENTS          | Other             | Other Charges/Fees       | (1,285,466)       | (1,285,466)       | (1,285,466)                             | (1,285,466)       | (1,285,466)       | (1,285,466)       |
| 54010 - TRANSFERS OUT                 | Other             | Miscellaneous            | -                 | -                 | -                                       | -                 | -                 | -                 |
| 55010 - LAND                          | Other             | Miscellaneous            | -                 | -                 | -                                       | -                 | -                 | -                 |
|                                       |                   | <b>Subtotal 4100020:</b> | <b>2,699,097</b>  | <b>805,000</b>    | <b>805,000</b>                          | <b>805,000</b>    | <b>805,000</b>    | <b>805,000</b>    |
| <b>4100021 - WATER CONNECTION FEE</b> |                   |                          |                   |                   |                                         |                   |                   |                   |
| 44920 - CONNECTION FEES               | Customer Growth   | Development Charges      | -                 | -                 | -                                       | -                 | -                 | -                 |
| 45110 - INTEREST INCOME               | Other             | Interest                 | -                 | -                 | -                                       | -                 | -                 | -                 |
|                                       |                   | <b>Subtotal 4100021:</b> | <b>-</b>          | <b>-</b>          | <b>-</b>                                | <b>-</b>          | <b>-</b>          | <b>-</b>          |

**Table 4**  
**Victorville Water District**  
**Revenues**

| Escalation Factors      |  |  | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-------------------------|--|--|---------|---------|---------|---------|---------|---------|
| Customer Growth         |  |  |         | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   |
| Plan Check Fee          |  |  |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Operating Cost Recovery |  |  |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Other                   |  |  |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| None                    |  |  |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |

| Revenue                                     | Escalation Factor | Category                       | FY 2026           | FY 2027           | FY 2028           | FY 2029           | FY 2030           | FY 2031                 |
|---------------------------------------------|-------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------------|
|                                             |                   |                                | <i>Budgeted</i>   | <i>Budgeted</i>   | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>        |
| <b>4110010 - WID #2 - GENERAL</b>           |                   |                                |                   |                   |                   |                   |                   |                         |
| 44940 - WATER STANDBY FEES                  | None              | Other Charges/Fees             | 335,000           | 335,000           | 335,000           | 335,000           | 335,000           | 335,000                 |
|                                             |                   | <b>Subtotal 4110010:</b>       | <b>335,000</b>    | <b>335,000</b>    | <b>335,000</b>    | <b>335,000</b>    | <b>335,000</b>    | <b>335,000</b>          |
| <b>4110020 - WID #2 - NON-OPERATING</b>     |                   |                                |                   |                   |                   |                   |                   |                         |
| 40100 - PROPERTY TAX                        | None              | Miscellaneous                  | -                 | -                 | -                 | -                 | -                 | -                       |
| 44865 - ARSENIC SURCHARGE                   | None              | Other Charges/Fees             | -                 | -                 | -                 | -                 | -                 | -                       |
| 45110 - INTEREST INCOME                     | None              | Interest                       | -                 | -                 | -                 | -                 | -                 | -                       |
|                                             |                   | <b>Subtotal 4110020:</b>       | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>                |
| <b>4110202 - WID #2 - 06 BALDY MESA COP</b> |                   |                                |                   |                   |                   |                   |                   |                         |
| 45110 - INTEREST INCOME                     | None              | Interest                       | -                 | -                 | -                 | -                 | -                 | -                       |
|                                             |                   | <b>Subtotal 4110202:</b>       | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>                |
| <b>4130520 - RECLAIMED WATER</b>            |                   |                                |                   |                   |                   |                   |                   |                         |
| 44860 - WATER - METERED SERVICE             | None              | Reclaimed Water Rate Revenue   | 77,290            | 80,376            | 80,376            | 80,376            | 80,376            | 80,376                  |
| 44870 - WATER - RECLAIMED                   | None              | Reclaimed Water Rate Revenue   | 571,200           | 398,400           | 398,400           | 398,400           | 398,400           | 398,400                 |
| 45110 - INTEREST INCOME                     | None              | Interest                       | 88,995            |                   |                   |                   |                   | <i>calculated based</i> |
|                                             |                   | <b>Subtotal 4130520:</b>       | <b>737,485</b>    | <b>478,776</b>    | <b>478,776</b>    | <b>478,776</b>    | <b>478,776</b>    | <b>478,776</b>          |
| <b>OTHER REVENUE</b>                        |                   |                                |                   |                   |                   |                   |                   |                         |
| Sewer Fund Principal Repayment              | None              | Miscellaneous                  | 1,838,110         | 1,863,140         | 1,888,670         | 1,914,711         | 1,941,273         | 1,968,366               |
| Sewer Fund Interest Repayment               | None              | Miscellaneous                  | 959,096           | 847,168           | 766,122           | 683,964           | 345,215           | 296,683                 |
| Standby Assessment Revenue                  | None              | Other Charges/Fees             |                   |                   | 95,000            | 95,000            | 95,000            | 95,000                  |
| Property Tax Revenue                        | None              | Other Charges/Fees             | -                 | -                 | 1,440,000         | 720,000           | 720,000           | 720,000                 |
|                                             |                   | <b>Subtotal Other Revenue:</b> | <b>2,797,206</b>  | <b>2,710,308</b>  | <b>4,189,792</b>  | <b>3,413,675</b>  | <b>3,101,488</b>  | <b>3,080,049</b>        |
| <b>Total Revenues</b>                       |                   |                                | <b>43,307,756</b> | <b>43,057,403</b> | <b>46,375,204</b> | <b>47,528,944</b> | <b>49,242,752</b> | <b>51,348,281</b>       |

| Summary of Rate Revenues   |  |  | FY 2026           | FY 2027           | FY 2028           | FY 2029           | FY 2030           | FY 2031           |
|----------------------------|--|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Water Sales                |  |  | 19,890,380        | 20,892,855        | 21,945,855        | 23,051,926        | 24,213,743        | 25,434,116        |
| Fixed Charges              |  |  | 14,291,188        | 15,011,464        | 15,768,041        | 16,562,751        | 17,397,513        | 18,274,348        |
| <b>Total Rate Revenues</b> |  |  | <b>34,181,568</b> | <b>35,904,319</b> | <b>37,713,896</b> | <b>39,614,677</b> | <b>41,611,257</b> | <b>43,708,464</b> |

**Table 4**  
**Victorville Water District**  
**Revenues**

| Escalation Factors      |  |  | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-------------------------|--|--|---------|---------|---------|---------|---------|---------|
| Customer Growth         |  |  |         | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   |
| Plan Check Fee          |  |  |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Operating Cost Recovery |  |  |         | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Other                   |  |  |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| None                    |  |  |         | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |

| Revenue                                         | Escalation Factor | Category | FY 2026         | FY 2027         | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-------------------------------------------------|-------------------|----------|-----------------|-----------------|------------------|------------------|------------------|------------------|
|                                                 |                   |          | <i>Budgeted</i> | <i>Budgeted</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>Summary of Reclaimed Water Rate Revenues</b> |                   |          | <b>FY 2026</b>  | <b>FY 2027</b>  | <b>FY 2028</b>   | <b>FY 2029</b>   | <b>FY 2030</b>   | <b>FY 2031</b>   |
| Water Sales                                     |                   |          | 571,200         | 398,400         | 398,400          | 398,400          | 398,400          | 398,400          |
| Fixed Charges                                   |                   |          | 77,290          | 80,376          | 80,376           | 80,376           | 80,376           | 80,376           |
| <b>Total Reclaimed Water Rate Revenues</b>      |                   |          | <b>648,490</b>  | <b>478,776</b>  | <b>478,776</b>   | <b>478,776</b>   | <b>478,776</b>   | <b>478,776</b>   |

| Summary of Non-Rate Revenues   |  |  | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|--------------------------------|--|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Miscellaneous                  |  |  | 2,867,207        | 2,730,308        | 2,674,792        | 2,618,675        | 2,306,488        | 2,285,049        |
| Interest                       |  |  | 2,048,091        | -                | -                | -                | -                | -                |
| Other Charges/Fees             |  |  | 3,562,400        | 3,944,000        | 5,507,740        | 4,816,815        | 4,846,231        | 4,875,992        |
| <b>Total Non-Rate Revenues</b> |  |  | <b>8,477,698</b> | <b>6,674,308</b> | <b>8,182,532</b> | <b>7,435,491</b> | <b>7,152,719</b> | <b>7,161,041</b> |

|                       |  |  |                   |                   |                   |                   |                   |                   |
|-----------------------|--|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total Revenues</b> |  |  | <b>43,307,756</b> | <b>43,057,403</b> | <b>46,375,204</b> | <b>47,528,944</b> | <b>49,242,752</b> | <b>51,348,281</b> |
|-----------------------|--|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor                           | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                         |                                             | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100030 - WATER-ADMINISTRATION</b>   |                                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                                       | \$1,010,802      | \$1,029,241      | \$1,070,411      | \$1,113,227      | \$1,157,756      | \$1,204,067      |
| 51110 - OVERTIME WAGES                  | Labor                                       | 4,000            | 4,160            | 4,326            | 4,499            | 4,679            | 4,867            |
| 51120 - PART TIME WAGES                 | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51160 - XREG                            | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                                       | 409,261          | 426,428          | 443,485          | 461,224          | 479,673          | 498,860          |
| 51201 - FRINGE BENEFITS-PT              | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51220 - RETIREE EXPENSE                 | Labor                                       | 254,685          | 261,882          | 272,357          | 283,251          | 294,582          | 306,365          |
| 51230 - GASB68 PENSION EXPENSE          | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                                       | 25,939           | 26,246           | 27,295           | 28,387           | 29,523           | 30,704           |
| 51301 - PAYROLL TAXES - PT              | Labor                                       | -                | -                | -                | -                | -                | -                |
| 52010 - UTILITIES-ELECTRICITY           | Utilities - Electric/Natural Gas/Sanitation | 30,000           | 30,600           | 32,130           | 33,737           | 35,423           | 37,194           |
| 52020 - UTILITIES-WATER USAGE           | Utilities - Electric/Natural Gas/Sanitation | 2,000            | 2,090            | 2,195            | 2,304            | 2,419            | 2,540            |
| 52030 - UTILITIES-NATURAL GAS           | Utilities - Electric/Natural Gas/Sanitation | 2,500            | 2,575            | 2,704            | 2,839            | 2,981            | 3,130            |
| 52040 - UTILITIES-SANITATION            | Utilities - Electric/Natural Gas/Sanitation | -                | -                | -                | -                | -                | -                |
| 52060 - TELEPHONE                       | General                                     | 20,000           | 22,180           | 22,845           | 23,531           | 24,237           | 24,964           |
| 52110 - SUPPLIES                        | General                                     | 7,535            | 8,692            | 8,953            | 9,221            | 9,498            | 9,783            |
| 52130 - SUBS /PUBLICATIONS / DUES       | General                                     | 9,678            | 9,830            | 10,125           | 10,429           | 10,742           | 11,064           |
| 52140 - TRAINING AND EDUCATION          | General                                     | 18,779           | 28,874           | 29,740           | 30,632           | 31,551           | 32,498           |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings                 | 15,360           | 37,700           | 39,020           | 40,385           | 41,799           | 43,262           |
| 52160 - MARKETING & PROMOTION           | General                                     | -                | -                | -                | -                | -                | -                |
| 52165 - CITY OUTREACH EVENTS            | General                                     | 5,000            | 5,000            | 5,150            | 5,305            | 5,464            | 5,628            |
| 52170 - ADVERTISING/LEGAL NOTICES       | General                                     | 4,000            | 4,000            | 4,120            | 4,244            | 4,371            | 4,502            |
| 52180 - RECRUITMENT EXPENDITURES        | General                                     | 1,500            | 1,500            | 1,545            | 1,591            | 1,639            | 1,688            |
| 52190 - DOT/PHYSICAL TEST               | General                                     | -                | -                | -                | -                | -                | -                |
| 52201 - VEHICLE FUEL                    | Fuel                                        | 12,500           | 12,500           | 13,125           | 13,781           | 14,470           | 15,194           |
| 52220 - EQUIPMENT EXPENSE               | General                                     | 11,000           | -                | -                | -                | -                | -                |
| 52230 - VEHICLE EXPENSE                 | General                                     | 2,707            | 3,000            | 3,090            | 3,183            | 3,278            | 3,377            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                                     | 1,000            | 5,000            | 1,000            | 1,030            | 1,061            | 1,093            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                                     | -                | 1,500            | 1,545            | 1,591            | 1,639            | 1,688            |
| 52300 - CONTRACT SERVICES               | General                                     | 717,207          | 503,316          | 518,415          | 533,968          | 549,987          | 566,487          |
| 52340 - INSURANCE                       | General                                     | 1,534,633        | 1,736,632        | 1,788,731        | 1,842,393        | 1,897,665        | 1,954,595        |
| 52350 - LEGAL                           | General                                     | 125,000          | 125,000          | 128,750          | 132,613          | 136,591          | 140,689          |
| 52360 - FEDERAL/STATE /LOCAL FEES       | General                                     | 190,081          | 190,081          | 195,784          | 201,657          | 207,707          | 213,938          |
| 52410 - BUILDING MAINTENANCE            | General                                     | 2,000            | 2,000            | 2,060            | 2,122            | 2,185            | 2,251            |
| 52450 - VANDALISM/ACCIDENTS             | General                                     | -                | -                | -                | -                | -                | -                |
| 52460 - DEPRECIATION EXPENSE            | None                                        | -                | -                | -                | -                | -                | -                |
| 54020 - COST ALLOCATIONS PAID           | General                                     | 2,756,194        | 2,838,880        | 2,924,046        | 3,011,768        | 3,102,121        | 3,195,184        |
| Anticipated Staff Increases             | Labor                                       | -                | -                | 183,872          | 191,227          | 198,876          | 206,831          |
| <b>Subtotal 4100030:</b>                |                                             | <b>7,173,361</b> | <b>7,318,907</b> | <b>7,736,819</b> | <b>7,990,140</b> | <b>8,251,917</b> | <b>8,522,440</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                         | Escalation Factor           | FY 2026         | FY 2027         | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|--------------------------------------------|-----------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
|                                            |                             | <i>Budgeted</i> | <i>Budgeted</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100030E - WATER ADMINISTRATION EDD</b> |                             |                 |                 |                  |                  |                  |                  |
| 51110 - OVERTIME WAGES                     | Labor                       | 525             | 650             | 676              | 703              | 731              | 760              |
| 51120 - PART TIME WAGES                    | Labor                       | -               | -               | -                | -                | -                | -                |
| 51201 - FRINGE BENEFITS-PT                 | Labor                       | -               | -               | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                      | Labor                       | -               | -               | -                | -                | -                | -                |
| 51301 - PAYROLL TAXES - PT                 | Labor                       | -               | -               | -                | -                | -                | -                |
| 52060 - TELEPHONE                          | General                     | 250             | 375             | 386              | 398              | 410              | 422              |
| 52110 - SUPPLIES                           | General                     | 525             | 550             | 567              | 583              | 601              | 619              |
| 52130 - SUBS /PUBLICATIONS / DUES          | General                     | 2,375           | 2,425           | 2,498            | 2,573            | 2,650            | 2,729            |
| 52140 - TRAINING AND EDUCATION             | General                     | 1,375           | 1,025           | 1,056            | 1,087            | 1,120            | 1,154            |
| 52150 - TRAVEL & MEETINGS                  | General - Travel & Meetings | 11,775          | 11,313          | 11,708           | 12,118           | 12,542           | 12,981           |
| 52160 - MARKETING & PROMOTION              | General                     | 30,650          | 32,963          | 33,951           | 34,970           | 36,019           | 37,100           |
| 52165 - CITY OUTREACH EVENTS               | General                     | 1,250           | 8,750           | 9,013            | 9,283            | 9,561            | 9,848            |
| 52170 - ADVERTISING/LEGAL NOTICES          | General                     | 5,775           | 6,725           | 6,927            | 7,135            | 7,349            | 7,569            |
| 52180 - RECRUITMENT EXPENDITURES           | General                     | 200             | 250             | 258              | 265              | 273              | 281              |
| 52201 - VEHICLE FUEL                       | Fuel                        | 375             | 500             | 525              | 551              | 579              | 608              |
| 52220 - EQUIPMENT EXPENSE                  | General                     | 375             | -               | -                | -                | -                | -                |
| 52230 - VEHICLE EXPENSE                    | General                     | 500             | 500             | 515              | 530              | 546              | 563              |
| 52300 - CONTRACT SERVICES                  | General                     | 6,550           | 45,750          | 35,500           | 36,565           | 37,662           | 38,792           |
| 52340 - INSURANCE                          | General                     | -               | -               | -                | -                | -                | -                |
| 54010 - TRANSFERS OUT                      | General                     | -               | -               | -                | -                | -                | -                |
| <b>Subtotal 4100030E:</b>                  |                             | <b>62,500</b>   | <b>111,775</b>  | <b>103,579</b>   | <b>106,762</b>   | <b>110,043</b>   | <b>113,426</b>   |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor                             | FY 2026           | FY 2027           | FY 2028           | FY 2029           | FY 2030           | FY 2031           |
|-----------------------------------------|-----------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                         |                                               | <i>Budgeted</i>   | <i>Budgeted</i>   | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  |
| <b>4100500 - WATER-SUPPLY</b>           |                                               |                   |                   |                   |                   |                   |                   |
| 51100 - FULL TIME WAGES                 | Labor                                         | 1,352,686         | 1,405,832         | 1,462,065         | 1,520,548         | 1,581,370         | 1,644,624         |
| 51110 - OVERTIME WAGES                  | Labor                                         | 90,500            | 98,800            | 102,752           | 106,862           | 111,137           | 115,582           |
| 51150 - STANDBY WAGES                   | Labor                                         | 31,288            | 16,270            | 16,921            | 17,597            | 18,301            | 19,033            |
| 51160 - XREG                            | Labor                                         | -                 | -                 | -                 | -                 | -                 | -                 |
| 51200 - FRINGE BENEFITS-FT              | Labor                                         | 649,620           | 679,955           | 707,154           | 735,440           | 764,857           | 795,452           |
| 51220 - RETIREE EXPENSE                 | Labor                                         | -                 | -                 | -                 | -                 | -                 | -                 |
| 51230 - GASB68 PENSION EXPENSE          | Labor                                         | -                 | -                 | -                 | -                 | -                 | -                 |
| 51300 - PAYROLL TAXES                   | Labor                                         | 34,742            | 35,849            | 37,283            | 38,774            | 40,325            | 41,938            |
| 52050 - UTILITIES-PRODUCTION POWER      | Utilities - Production Power                  | 3,600,000         | 3,708,000         | 3,986,100         | 4,285,058         | 4,606,437         | 4,951,920         |
| 52060 - TELEPHONE                       | General                                       | 22,512            | 25,000            | 25,750            | 26,523            | 27,318            | 28,138            |
| 52110 - SUPPLIES                        | General                                       | 427,825           | 422,999           | 435,689           | 448,760           | 462,222           | 476,089           |
| 52130 - SUBS /PUBLICATIONS / DUES       | General                                       | -                 | 390               | 402               | 414               | 426               | 439               |
| 52140 - TRAINING AND EDUCATION          | General                                       | 18,093            | 17,554            | 18,081            | 18,623            | 19,182            | 19,757            |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings                   | 16,900            | 15,700            | 16,250            | 16,818            | 17,407            | 18,016            |
| 52165 - CITY OUTREACH EVENTS            | General                                       | 1,450             | 1,500             | 1,545             | 1,591             | 1,639             | 1,688             |
| 52190 - DOT/PHYSICAL TEST               | General                                       | 700               | 700               | 721               | 743               | 765               | 788               |
| 52201 - VEHICLE FUEL                    | Fuel                                          | 100,000           | 100,000           | 105,000           | 110,250           | 115,763           | 121,551           |
| 52220 - EQUIPMENT EXPENSE               | General                                       | 40,000            | 20,000            | 20,600            | 21,218            | 21,855            | 22,510            |
| 52230 - VEHICLE EXPENSE                 | General                                       | 50,000            | 60,000            | 61,800            | 63,654            | 65,564            | 67,531            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                                       | 24,500            | 15,000            | 15,450            | 15,914            | 16,391            | 16,883            |
| 52300 - CONTRACT SERVICES               | General                                       | 2,642,334         | 2,683,516         | 2,764,021         | 2,846,942         | 2,932,350         | 3,020,321         |
| 52340 - INSURANCE                       | General                                       | 4,236             | 3,001             | 3,091             | 3,184             | 3,279             | 3,378             |
| 52360 - FEDERAL/STATE /LOCAL FEES       | General                                       | 16,675            | 16,675            | 17,175            | 17,691            | 18,221            | 18,768            |
| 52420 - GROUNDS MAINTENANCE             | General                                       | 55,439            | 55,439            | 57,102            | 58,815            | 60,580            | 62,397            |
| 52440 - INFRASTRUCTURE REPAIRS          | General                                       | 200,640           | 185,640           | 191,209           | 196,945           | 202,854           | 208,939           |
| 52460 - DEPRECIATION EXPENSE            | None                                          | -                 | -                 | -                 | -                 | -                 | -                 |
| 53030 - PURCHASED WATER                 | R-Cubed Water                                 | 832,000           | 832,000           | 869,440           | 908,565           | 949,450           | 992,175           |
| 53040 - GROUNDWATER ASSESSMENT          | Admin & Bio Assessment                        | 198,240           | 198,240           | 218,278           | 240,342           | 264,636           | 291,385           |
| 53050 - GROUNDWATER REPLENISHMENT       | Groundwater Replenishment & Makeup Obligation | 6,419,049         | 6,688,500         | 6,956,040         | 7,234,282         | 7,523,653         | 7,824,599         |
| <b>Subtotal 4100500:</b>                |                                               | <b>16,829,429</b> | <b>17,286,560</b> | <b>18,089,918</b> | <b>18,935,550</b> | <b>19,825,981</b> | <b>20,763,900</b> |



**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor            | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                         |                              | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100505 - WATER- SCADA</b>           |                              |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                        | 419,382          | 445,368          | 463,183          | 481,710          | 500,978          | 521,018          |
| 51110 - OVERTIME WAGES                  | Labor                        | 25,000           | 36,400           | 37,856           | 39,370           | 40,945           | 42,583           |
| 51160 - XREG                            | Labor                        | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                        | 179,500          | 192,787          | 200,499          | 208,519          | 216,860          | 225,534          |
| 51220 - RETIREE EXPENSE                 | Labor                        | -                | -                | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE          | Labor                        | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                        | 10,720           | 11,357           | 11,811           | 12,284           | 12,775           | 13,286           |
| 52060 - TELEPHONE                       | General                      | 4,986            | 4,500            | 4,635            | 4,774            | 4,917            | 5,065            |
| 52110 - SUPPLIES                        | General                      | 11,510           | 11,000           | 11,330           | 11,670           | 12,020           | 12,381           |
| 52130 - SUBS /PUBLICATIONS / DUES       | General                      | -                | 360              | 371              | 382              | 393              | 405              |
| 52140 - TRAINING AND EDUCATION          | General                      | 14,238           | 13,758           | 14,171           | 14,596           | 15,034           | 15,485           |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings  | 11,200           | 12,800           | 13,248           | 13,712           | 14,192           | 14,688           |
| 52190 - DOT/PHYSICAL TEST               | General                      | 500              | 500              | 515              | 530              | 546              | 563              |
| 52201 - VEHICLE FUEL                    | Fuel                         | 17,000           | 17,000           | 17,850           | 18,743           | 19,680           | 20,664           |
| 52230 - VEHICLE EXPENSE                 | General                      | 19,500           | 13,000           | 13,390           | 13,792           | 14,205           | 14,632           |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                      | 18,000           | 12,000           | 12,360           | 12,731           | 13,113           | 13,506           |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                      | 15,000           | 8,000            | 8,240            | 8,487            | 8,742            | 9,004            |
| 52300 - CONTRACT SERVICES               | General                      | 84,000           | 329,500          | 86,520           | 89,116           | 91,789           | 94,543           |
| 52340 - INSURANCE                       | General                      | 4,236            | -                | -                | -                | -                | -                |
| 52440 - INFRASTRUCTURE REPAIRS          | General                      | 50,000           | 50,000           | 51,500           | 53,045           | 54,636           | 56,275           |
| 52460 - DEPRECIATION EXPENSE            | None                         | -                | -                | -                | -                | -                | -                |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                         | -                | -                | -                | -                | -                | -                |
|                                         | <b>Subtotal 4100505:</b>     | <b>884,772</b>   | <b>1,158,330</b> | <b>947,478</b>   | <b>983,459</b>   | <b>1,020,825</b> | <b>1,059,630</b> |
| <b>4100510 - WATER-HD POWER PLANT</b>   |                              |                  |                  |                  |                  |                  |                  |
| 47230 - REIMBURSEMENTS - OTHER          | HDPP Reimbursement           | (1,085,587)      | (1,039,673)      | (1,224,675)      | (1,443,090)      | (1,701,036)      | (2,005,762)      |
| 51100 - FULL TIME WAGES                 | Labor                        | 55,000           | 57,200           | 59,488           | 61,868           | 64,342           | 66,916           |
| 51110 - OVERTIME WAGES                  | Labor                        | 50,000           | 52,000           | 54,080           | 56,243           | 58,493           | 60,833           |
| 51150 - STANDBY WAGES                   | Labor                        | 15,700           | 16,270           | 16,920           | 17,597           | 18,301           | 19,033           |
| 51160 - XREG                            | Labor                        | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                        | 7,125            | 5,720            | 5,949            | 6,187            | 6,434            | 6,692            |
| 51300 - PAYROLL TAXES                   | Labor                        | 1,400            | 1,352            | 1,406            | 1,462            | 1,521            | 1,582            |
| 52050 - UTILITIES-PRODUCTION POWER      | Utilities - Production Power | 539,328          | 550,115          | 591,373          | 635,726          | 683,406          | 734,661          |
| 52110 - SUPPLIES                        | General                      | 31,000           | 31,000           | 31,930           | 32,888           | 33,875           | 34,891           |
| 52300 - CONTRACT SERVICES               | General                      | 193,200          | 203,200          | 209,296          | 215,575          | 222,042          | 228,703          |
| 52360 - FEDERAL/STATE /LOCAL FEES       | General                      | 521              | 521              | 537              | 553              | 569              | 586              |
| 52420 - GROUNDS MAINTENANCE             | General                      | 6,000            | 6,000            | 6,180            | 6,365            | 6,556            | 6,753            |
| 52440 - INFRASTRUCTURE REPAIRS          | General                      | 70,000           | 10,000           | 10,300           | 10,609           | 10,927           | 11,255           |
| 53030 - PURCHASED WATER                 | General                      | -                | -                | -                | -                | -                | -                |
|                                         | <b>Subtotal 4100510:</b>     | <b>(116,313)</b> | <b>(106,296)</b> | <b>(237,216)</b> | <b>(398,017)</b> | <b>(594,570)</b> | <b>(833,858)</b> |
| <b>HDPP Expense total</b>               |                              | <b>969,274</b>   | <b>933,377</b>   | <b>987,459</b>   | <b>1,045,073</b> | <b>1,106,467</b> | <b>1,171,905</b> |
| <b>HDPP Expense % Change</b>            |                              |                  | <b>-3.7%</b>     | <b>5.8%</b>      | <b>5.8%</b>      | <b>5.9%</b>      | <b>5.9%</b>      |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor                           | FY 2026          | FY 2027         | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|---------------------------------------------|------------------|-----------------|------------------|------------------|------------------|------------------|
|                                         |                                             | <i>Budgeted</i>  | <i>Budgeted</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100525 - WATER EFFICIENCY</b>       |                                             |                  |                 |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                                       | 385,783          | 331,801         | 345,073          | 358,876          | 373,231          | 388,160          |
| 51110 - OVERTIME WAGES                  | Labor                                       | 15,000           | 15,600          | 16,224           | 16,873           | 17,548           | 18,250           |
| 51160 - XREG                            | Labor                                       | -                | -               | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                                       | 180,626          | 130,966         | 136,204          | 141,652          | 147,318          | 153,211          |
| 51201 - FRINGE BENEFITS-PT              | Labor                                       | -                | -               | -                | -                | -                | -                |
| 51220 - RETIREE EXPENSE                 | Labor                                       | -                | -               | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE          | Labor                                       | -                | -               | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                                       | 10,441           | 8,461           | 8,799            | 9,151            | 9,517            | 9,898            |
| 52010 - UTILITIES-ELECTRICITY           | Utilities - Electric/Natural Gas/Sanitation | -                | -               | -                | -                | -                | -                |
| 52020 - UTILITIES-WATER USAGE           | Utilities - Electric/Natural Gas/Sanitation | -                | -               | -                | -                | -                | -                |
| 52030 - UTILITIES-NATURAL GAS           | Utilities - Electric/Natural Gas/Sanitation | -                | -               | -                | -                | -                | -                |
| 52060 - TELEPHONE                       | General                                     | 2,772            | 3,465           | 3,569            | 3,676            | 3,786            | 3,900            |
| 52110 - SUPPLIES                        | General                                     | 27,897           | 27,897          | 28,734           | 29,596           | 30,484           | 31,399           |
| 52130 - SUBS /PUBLICATIONS / DUES       | General                                     | 6,000            | 9,000           | 9,270            | 9,548            | 9,835            | 10,130           |
| 52140 - TRAINING AND EDUCATION          | General                                     | 5,575            | 7,100           | 7,313            | 7,532            | 7,758            | 7,991            |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings                 | 10,680           | 8,400           | 8,694            | 8,998            | 9,313            | 9,639            |
| 52160 - MARKETING & PROMOTION           | General                                     | 155,000          | 132,500         | 136,475          | 140,569          | 144,786          | 149,130          |
| 52165 - CITY OUTREACH EVENTS            | General                                     | 30,000           | 30,000          | 30,900           | 31,827           | 32,782           | 33,765           |
| 52190 - DOT/PHYSICAL TEST               | General                                     | 600              | -               | -                | -                | -                | -                |
| 52201 - VEHICLE FUEL                    | Fuel                                        | 10,000           | 10,000          | 10,500           | 11,025           | 11,576           | 12,155           |
| 52230 - VEHICLE EXPENSE                 | General                                     | 5,000            | 5,000           | 5,150            | 5,305            | 5,464            | 5,628            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                                     | 3,500            | 3,500           | 3,605            | 3,713            | 3,825            | 3,939            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                                     | 3,067            | -               | -                | -                | -                | -                |
| 52300 - CONTRACT SERVICES               | General                                     | 225,400          | 228,000         | 234,840          | 241,885          | 249,142          | 256,616          |
| 52340 - INSURANCE                       | General                                     | 16,944           | 9,003           | 9,273            | 9,551            | 9,838            | 10,133           |
| 52460 - DEPRECIATION EXPENSE            | None                                        | -                | -               | -                | -                | -                | -                |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                                        | -                | -               | -                | -                | -                | -                |
| <b>Subtotal 4100525:</b>                |                                             | <b>1,094,284</b> | <b>960,693</b>  | <b>994,624</b>   | <b>1,029,779</b> | <b>1,066,203</b> | <b>1,103,944</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor                           | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                         |                                             | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100530 - WATER-METER SVCS</b>       |                                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                                       | 861,548          | 749,183          | 779,150          | 810,316          | 842,729          | 876,438          |
| 51110 - OVERTIME WAGES                  | Labor                                       | 25,000           | 31,200           | 32,448           | 33,746           | 35,096           | 36,500           |
| 51150 - STANDBY WAGES                   | Labor                                       | 4,000            | 16,270           | 16,921           | 17,597           | 18,301           | 19,033           |
| 51160 - XREG                            | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                                       | 415,931          | 362,880          | 377,396          | 392,492          | 408,191          | 424,519          |
| 51220 - RETIREE EXPENSE                 | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE          | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                                       | 22,059           | 19,104           | 19,868           | 20,663           | 21,490           | 22,349           |
| 52020 - UTILITIES-WATER USAGE           | Utilities - Electric/Natural Gas/Sanitation | 91               | 112              | 118              | 123              | 130              | 136              |
| 52060 - TELEPHONE                       | General                                     | 27,400           | 25,000           | 25,750           | 26,523           | 27,318           | 28,138           |
| 52110 - SUPPLIES                        | General                                     | 9,000            | 9,800            | 10,094           | 10,397           | 10,709           | 11,030           |
| 52140 - TRAINING AND EDUCATION          | General                                     | 12,155           | 9,550            | 9,837            | 10,132           | 10,436           | 10,749           |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings                 | 11,852           | 7,806            | 8,079            | 8,362            | 8,655            | 8,958            |
| 52201 - VEHICLE FUEL                    | Fuel                                        | 35,000           | 30,000           | 31,500           | 33,075           | 34,729           | 36,465           |
| 52220 - EQUIPMENT EXPENSE               | General                                     | 750              | 750              | 773              | 796              | 820              | 844              |
| 52230 - VEHICLE EXPENSE                 | General                                     | 18,000           | 14,000           | 14,420           | 14,853           | 15,298           | 15,757           |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                                     | 4,500            | 4,500            | 4,635            | 4,774            | 4,917            | 5,065            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                                     | 2,000            | 2,000            | 2,060            | 2,122            | 2,185            | 2,251            |
| 52300 - CONTRACT SERVICES               | General                                     | 149,415          | 117,200          | 120,716          | 124,337          | 128,068          | 131,910          |
| 52340 - INSURANCE                       | General                                     | -                | 9,003            | 9,273            | 9,551            | 9,838            | 10,133           |
| 52440 - INFRASTRUCTURE REPAIRS          | General                                     | 50,000           | 50,000           | 51,500           | 53,045           | 54,636           | 56,275           |
| 52445 - METER SVC INSTALLATION          | General                                     | 150,000          | 150,000          | 154,500          | 159,135          | 163,909          | 168,826          |
| 52446 - METER SVC CHANGEOUTS            | General                                     | 600,000          | 600,000          | 618,000          | 636,540          | 655,636          | 675,305          |
| 52460 - DEPRECIATION EXPENSE            | None                                        | -                | -                | -                | -                | -                | -                |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                                        | -                | -                | -                | -                | -                | -                |
|                                         |                                             | <b>2,398,700</b> | <b>2,208,358</b> | <b>2,287,037</b> | <b>2,368,578</b> | <b>2,453,089</b> | <b>2,540,681</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor           | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                         |                             | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100535 - WATER-FIELD SVCS</b>       |                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                       | 1,355,615        | 1,573,787        | 1,636,738        | 1,702,208        | 1,770,296        | 1,841,108        |
| 51110 - OVERTIME WAGES                  | Labor                       | 70,000           | 72,800           | 75,712           | 78,740           | 81,890           | 85,166           |
| 51150 - STANDBY WAGES                   | Labor                       | 16,000           | 33,476           | 34,815           | 36,207           | 37,655           | 39,162           |
| 51160 - XREG                            | Labor                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                       | 648,995          | 771,733          | 802,603          | 834,707          | 868,095          | 902,819          |
| 51220 - RETIREE EXPENSE                 | Labor                       | -                | -                | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE          | Labor                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                       | 34,851           | 44,326           | 46,099           | 47,943           | 49,860           | 51,855           |
| 52003 - GASB96-CONTRA-EXP-OP            | Labor                       | -                | -                | -                | -                | -                | -                |
| 52060 - TELEPHONE                       | General                     | 12,450           | 15,000           | 15,450           | 15,914           | 16,391           | 16,883           |
| 52110 - SUPPLIES                        | General                     | 38,950           | 40,775           | 41,998           | 43,258           | 44,556           | 45,893           |
| 52140 - TRAINING AND EDUCATION          | General                     | 25,200           | 22,500           | 23,175           | 23,870           | 24,586           | 25,324           |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings | 6,750            | 6,750            | 6,986            | 7,231            | 7,484            | 7,746            |
| 52190 - DOT/PHYSICAL TEST               | General                     | 2,000            | 2,000            | 2,060            | 2,122            | 2,185            | 2,251            |
| 52201 - VEHICLE FUEL                    | Fuel                        | 125,000          | 125,000          | 131,250          | 137,813          | 144,703          | 151,938          |
| 52220 - EQUIPMENT EXPENSE               | General                     | 65,000           | 80,000           | 82,400           | 84,872           | 87,418           | 90,041           |
| 52230 - VEHICLE EXPENSE                 | General                     | 25,000           | 25,000           | 25,750           | 26,523           | 27,318           | 28,138           |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                     | 22,000           | 22,000           | 22,660           | 23,340           | 24,040           | 24,761           |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                     | 3,000            | 3,000            | 3,090            | 3,183            | 3,278            | 3,377            |
| 52300 - CONTRACT SERVICES               | General                     | 109,219          | 112,219          | 115,585          | 119,053          | 122,625          | 126,303          |
| 52340 - INSURANCE                       | General                     | 12,708           | 9,003            | 9,273            | 9,551            | 9,838            | 10,133           |
| 52420 - GROUNDS MAINTENANCE             | General                     | -                | -                | -                | -                | -                | -                |
| 52440 - INFRASTRUCTURE REPAIRS          | General                     | 560,000          | 570,000          | 587,100          | 604,713          | 622,854          | 641,540          |
| 52460 - DEPRECIATION EXPENSE            | None                        | -                | -                | -                | -                | -                | -                |
| 52465 - GASB87/96 AMORTIZATION          | None                        | -                | -                | -                | -                | -                | -                |
| 54051 - INVENTORY-WRITE-OFFS            | None                        | -                | -                | -                | -                | -                | -                |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                        | -                | -                | -                | -                | -                | -                |
| 54160 - GASB 87/96 INTEREST EXPENSE     | None                        | -                | -                | -                | -                | -                | -                |
| <b>Subtotal 4100535:</b>                |                             | <b>3,132,738</b> | <b>3,529,368</b> | <b>3,662,744</b> | <b>3,801,246</b> | <b>3,945,074</b> | <b>4,094,436</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                          | Escalation Factor                           | FY 2026         | FY 2027         | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|---------------------------------------------|---------------------------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
|                                             |                                             | <i>Budgeted</i> | <i>Budgeted</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100540 - WATER - WID 2</b>              |                                             |                 |                 |                  |                  |                  |                  |
| 52010 - UTILITIES-ELECTRICITY               | Utilities - Electric/Natural Gas/Sanitation | 10,176          | 10,380          | 10,899           | 11,444           | 12,016           | 12,617           |
| 52020 - UTILITIES-WATER USAGE               | Utilities - Electric/Natural Gas/Sanitation | 2,652           | 2,772           | 2,911            | 3,056            | 3,209            | 3,369            |
| 52030 - UTILITIES-NATURAL GAS               | Utilities - Electric/Natural Gas/Sanitation | -               | -               | -                | -                | -                | -                |
| 52040 - UTILITIES-SANITATION                | Utilities - Electric/Natural Gas/Sanitation | 6,719           | 6,700           | 7,035            | 7,387            | 7,756            | 8,144            |
| 52060 - TELEPHONE                           | General                                     | -               | -               | -                | -                | -                | -                |
| 52110 - SUPPLIES                            | General                                     | 500             | 500             | 515              | 530              | 546              | 563              |
| 52112 - SUPPLIES - SANITARY                 | General                                     | 500             | 500             | 515              | 530              | 546              | 563              |
| 52140 - TRAINING AND EDUCATION              | General                                     | -               | -               | -                | -                | -                | -                |
| 52201 - VEHICLE FUEL                        | Fuel                                        | -               | -               | -                | -                | -                | -                |
| 52230 - VEHICLE EXPENSE                     | General                                     | -               | -               | -                | -                | -                | -                |
| 52240 - SMALL TOOLS & FURNITURE <\$5000     | General                                     | 37,360          | 40,000          | 41,200           | 42,436           | 43,709           | 45,020           |
| 52300 - CONTRACT SERVICES                   | General                                     | -               | -               | -                | -                | -                | -                |
| 52410 - BUILDING MAINTENANCE                | General                                     | 19,080          | 29,500          | 30,385           | 31,297           | 32,235           | 33,203           |
| 52415 - BUILDING - DEMOLITION               | General                                     | -               | -               | -                | -                | -                | -                |
| 74513 - DEMO OF OLD BALDY MESA OFFICE BLDNG | General                                     | -               | -               | -                | -                | -                | -                |
| 52440 - INFRASTRUCTURE REPAIRS              | General                                     | -               | -               | -                | -                | -                | -                |
| 74513 - DEMO OF OLD BALDY MESA OFFICE BLDNG | General                                     | 60,000          | -               | -                | -                | -                | -                |
|                                             | <b>Subtotal 4100540:</b>                    | <b>136,987</b>  | <b>90,352</b>   | <b>93,460</b>    | <b>96,680</b>    | <b>100,018</b>   | <b>103,479</b>   |
| <b>4100541 - WATER - WID 1</b>              |                                             |                 |                 |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                     | Labor                                       | 138,949         | 144,775         | 150,566          | 156,589          | 162,852          | 169,366          |
| 51110 - OVERTIME WAGES                      | Labor                                       | -               | -               | -                | -                | -                | -                |
| 51160 - XREG                                | Labor                                       | -               | -               | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT                  | Labor                                       | 75,699          | 73,436          | 76,373           | 79,428           | 82,605           | 85,909           |
| 51300 - PAYROLL TAXES                       | Labor                                       | 3,543           | 3,692           | 3,839            | 3,993            | 4,153            | 4,319            |
| 52010 - UTILITIES-ELECTRICITY               | Utilities - Electric/Natural Gas/Sanitation | 29,000          | 26,000          | 27,300           | 28,665           | 30,098           | 31,603           |
| 52020 - UTILITIES-WATER USAGE               | Utilities - Electric/Natural Gas/Sanitation | 4,450           | 5,000           | 5,250            | 5,513            | 5,788            | 6,078            |
| 52030 - UTILITIES-NATURAL GAS               | Utilities - Electric/Natural Gas/Sanitation | 3,220           | 2,475           | 2,599            | 2,729            | 2,865            | 3,008            |
| 52040 - UTILITIES-SANITATION                | Utilities - Electric/Natural Gas/Sanitation | 17,000          | 15,900          | 16,695           | 17,530           | 18,406           | 19,327           |
| 52060 - TELEPHONE                           | General                                     | -               | -               | -                | -                | -                | -                |
| 52110 - SUPPLIES                            | General                                     | 10,000          | 17,150          | 17,665           | 18,194           | 18,740           | 19,302           |
| 52112 - SUPPLIES - SANITARY                 | General                                     | 500             | 500             | 515              | 530              | 546              | 563              |
| 52140 - TRAINING AND EDUCATION              | General                                     | 1,000           | 2,198           | 2,264            | 2,332            | 2,402            | 2,474            |
| 52150 - TRAVEL & MEETINGS                   | General                                     | 750             | 3,400           | 3,502            | 3,607            | 3,715            | 3,827            |
| 52201 - VEHICLE FUEL                        | Fuel                                        | 100             | 200             | 210              | 221              | 232              | 243              |
| 52230 - VEHICLE EXPENSE                     | General                                     | 500             | 500             | 515              | 530              | 546              | 563              |
| 52300 - CONTRACT SERVICES                   | General                                     | 8,000           | 8,760           | 9,023            | 9,293            | 9,572            | 9,859            |
| 52410 - BUILDING MAINTENANCE                | General                                     | 5,050           | 5,540           | 5,706            | 5,877            | 6,054            | 6,235            |
| 52420 - GROUNDS MAINTENANCE                 | General                                     | -               | -               | -                | -                | -                | -                |
|                                             | <b>Subtotal 4100541:</b>                    | <b>297,762</b>  | <b>309,525</b>  | <b>322,022</b>   | <b>335,031</b>   | <b>348,575</b>   | <b>362,676</b>   |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor                           | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-----------------------------------------|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                         |                                             | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4100543 - WATER LINE LOCATING</b>    |                                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                                       | 95,895           | 145,464          | 151,282          | 157,334          | 163,627          | 170,172          |
| 51200 - FRINGE BENEFITS-FT              | Labor                                       | 48,205           | 47,704           | 49,612           | 51,596           | 53,660           | 55,807           |
| 51300 - PAYROLL TAXES                   | Labor                                       | 2,467            | 1,319            | 1,371            | 1,426            | 1,483            | 1,543            |
| 52060 - TELEPHONE                       | General                                     | 285              | 1,150            | 1,185            | 1,220            | 1,257            | 1,295            |
| 52110 - SUPPLIES                        | General                                     | 1,000            | 4,318            | 4,447            | 4,581            | 4,718            | 4,860            |
|                                         | <b>Subtotal 4100543:</b>                    | <b>147,852</b>   | <b>199,954</b>   | <b>207,898</b>   | <b>216,157</b>   | <b>224,746</b>   | <b>233,676</b>   |
| <b>4100545 - WATER-CUSTOMER SVCS</b>    |                                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                 | Labor                                       | 1,523,436        | 1,521,861        | 1,582,736        | 1,646,045        | 1,711,887        | 1,780,362        |
| 51110 - OVERTIME WAGES                  | Labor                                       | 8,500            | 7,410            | 7,706            | 8,015            | 8,335            | 8,669            |
| 51120 - PART TIME WAGES                 | Labor                                       | 56,000           | 113,175          | 117,702          | 122,410          | 127,306          | 132,399          |
| 51160 - XREG                            | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT              | Labor                                       | 600,050          | 696,855          | 724,729          | 753,719          | 783,867          | 815,222          |
| 51201 - FRINGE BENEFITS-PT              | Labor                                       | -                | 1,460            | 1,519            | 1,579            | 1,642            | 1,708            |
| 51220 - RETIREE EXPENSE                 | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE          | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                   | Labor                                       | 22,000           | 38,807           | 40,360           | 41,974           | 43,653           | 45,399           |
| 51301 - PAYROLL TAXES - PT              | Labor                                       | -                | 1,641            | 1,707            | 1,775            | 1,846            | 1,920            |
| 52010 - UTILITIES-ELECTRICITY           | Utilities - Electric/Natural Gas/Sanitation | 13,200           | 11,625           | 12,206           | 12,817           | 13,457           | 14,130           |
| 52020 - UTILITIES-WATER USAGE           | Utilities - Electric/Natural Gas/Sanitation | 525              | 3,875            | 4,069            | 4,272            | 4,486            | 4,710            |
| 52030 - UTILITIES-NATURAL GAS           | Utilities - Electric/Natural Gas/Sanitation | 750              | 750              | 788              | 827              | 868              | 912              |
| 52060 - TELEPHONE                       | General                                     | 169              | 63               | 65               | 67               | 69               | 71               |
| 52110 - SUPPLIES                        | General                                     | 217,219          | 200,400          | 206,412          | 212,604          | 218,982          | 225,552          |
| 52140 - TRAINING AND EDUCATION          | General                                     | 1,725            | 1,125            | 1,159            | 1,194            | 1,229            | 1,266            |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings                 | -                | -                | -                | -                | -                | -                |
| 52170 - ADVERTISING/LEGAL NOTICES       | General                                     | -                | -                | -                | -                | -                | -                |
| 52180 - RECRUITMENT EXPENDITURES        | General                                     | 2,205            | 2,250            | 2,318            | 2,387            | 2,459            | 2,532            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                                     | 750              | 3,075            | 3,167            | 3,262            | 3,360            | 3,461            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | General                                     | -                | -                | -                | -                | -                | -                |
| 52300 - CONTRACT SERVICES               | General                                     | 346,568          | 246,825          | 254,230          | 261,857          | 269,712          | 277,804          |
| 52350 - LEGAL                           | General                                     | 750              | 750              | 773              | 796              | 820              | 844              |
| 52360 - FEDERAL/STATE /LOCAL FEES       | General                                     | 19,500           | 19,500           | 20,085           | 20,688           | 21,308           | 21,947           |
| 52365 - BANK/CC PROCESSING FEES         | General                                     | 514,400          | 257,200          | 264,916          | 272,863          | 281,049          | 289,481          |
| 52410 - BUILDING MAINTENANCE            | General                                     | -                | -                | -                | -                | -                | -                |
| 54050 - UNCOLLECTABLE WRITE-OFFS        | None                                        | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                                        | -                | -                | -                | -                | -                | -                |
|                                         | <b>Subtotal 4100545:</b>                    | <b>3,427,747</b> | <b>3,228,648</b> | <b>3,346,644</b> | <b>3,469,150</b> | <b>3,596,338</b> | <b>3,728,389</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                     | Escalation Factor           | FY 2026<br><i>Budgeted</i> | FY 2027<br><i>Budgeted</i> | FY 2028<br><i>Projected</i> | FY 2029<br><i>Projected</i> | FY 2030<br><i>Projected</i> | FY 2031<br><i>Projected</i> |
|----------------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>4100710 - WATER - WW TREATMENT</b>  |                             |                            |                            |                             |                             |                             |                             |
| 52300 - CONTRACT SERVICES              | General                     | -                          | -                          | -                           | -                           | -                           | -                           |
| <b>Subtotal 4100710:</b>               |                             | -                          | -                          | -                           | -                           | -                           | -                           |
| <b>4101510 - WATER-INFO TECHNOLOGY</b> |                             |                            |                            |                             |                             |                             |                             |
| 52260 - COMPUTER EQUIPMENT <\$5000     | General                     | 10,000                     | 30,000                     | 30,900                      | 31,827                      | 32,782                      | 33,765                      |
| 52300 - CONTRACT SERVICES              | General                     | 225,260                    | 36,585                     | 37,683                      | 38,813                      | 39,977                      | 41,177                      |
| <b>Subtotal 4101510:</b>               |                             | <b>235,260</b>             | <b>66,585</b>              | <b>68,583</b>               | <b>70,640</b>               | <b>72,759</b>               | <b>74,942</b>               |
| <b>4101515 - WATER-IT GIS</b>          |                             |                            |                            |                             |                             |                             |                             |
| 51100 - FULL TIME WAGES                | Labor                       | 94,946                     | 100,648                    | 104,674                     | 108,861                     | 113,216                     | 117,744                     |
| 51110 - OVERTIME WAGES                 | Labor                       | 118                        | -                          | -                           | -                           | -                           | -                           |
| 51160 - XREG                           | Labor                       | -                          | -                          | -                           | -                           | -                           | -                           |
| 51200 - FRINGE BENEFITS-FT             | Labor                       | 40,990                     | 47,522                     | 49,422                      | 51,399                      | 53,455                      | 55,593                      |
| 51300 - PAYROLL TAXES                  | Labor                       | 2,424                      | 2,567                      | 2,669                       | 2,776                       | 2,887                       | 3,002                       |
| 52003 - GASB96-CONTRA-EXP-OP           | General                     | -                          | -                          | -                           | -                           | -                           | -                           |
| 52060 - TELEPHONE                      | General                     | 1,500                      | 2,500                      | 2,575                       | 2,652                       | 2,732                       | 2,814                       |
| 52110 - SUPPLIES                       | General                     | 25                         | -                          | -                           | -                           | -                           | -                           |
| 52140 - TRAINING AND EDUCATION         | General                     | 3,000                      | 10,250                     | 10,558                      | 10,874                      | 11,200                      | 11,536                      |
| 52150 - TRAVEL & MEETINGS              | General - Travel & Meetings | 3,300                      | 6,050                      | 6,262                       | 6,481                       | 6,708                       | 6,943                       |
| 52180 - RECRUITMENT EXPENDITURES       | General                     | -                          | -                          | -                           | -                           | -                           | -                           |
| 52201 - VEHICLE FUEL                   | Fuel                        | 3,000                      | 3,000                      | 3,150                       | 3,308                       | 3,473                       | 3,647                       |
| 52230 - VEHICLE EXPENSE                | General                     | 2,000                      | 2,000                      | 2,060                       | 2,122                       | 2,185                       | 2,251                       |
| 52260 - COMPUTER EQUIPMENT <\$5000     | General                     | 4,500                      | 13,246                     | 13,643                      | 14,053                      | 14,474                      | 14,908                      |
| 52300 - CONTRACT SERVICES              | General                     | 36,400                     | 61,679                     | 63,529                      | 65,435                      | 67,398                      | 69,420                      |
| 52460 - DEPRECIATION EXPENSE           | None                        | -                          | -                          | -                           | -                           | -                           | -                           |
| 52465 - GASB87/96 AMORTIZATION         | None                        | -                          | -                          | -                           | -                           | -                           | -                           |
| 54160 - GASB 87/96 INTEREST EXPENSE    | None                        | -                          | -                          | -                           | -                           | -                           | -                           |
| <b>Subtotal 4101515:</b>               |                             | <b>192,203</b>             | <b>249,462</b>             | <b>258,543</b>              | <b>267,961</b>              | <b>277,729</b>              | <b>287,859</b>              |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                        | Escalation Factor                           | FY 2026          | FY 2027          | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|-------------------------------------------|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                           |                                             | <i>Budgeted</i>  | <i>Budgeted</i>  | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4104000 - WATER - CODE ENFORCEMENT</b> |                                             |                  |                  |                  |                  |                  |                  |
| 51001 - CONTRA-EXP-WAGES                  | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51100 - FULL TIME WAGES                   | Labor                                       | 324,228          | 380,804          | 396,036          | 411,877          | 428,352          | 445,486          |
| 51110 - OVERTIME WAGES                    | Labor                                       | -                | 2,600            | 2,704            | 2,812            | 2,925            | 3,042            |
| 51160 - XREG                              | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT                | Labor                                       | 146,434          | 179,392          | 186,567          | 194,030          | 201,791          | 209,863          |
| 51220 - RETIREE EXPENSE                   | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51230 - GASB68 PENSION EXPENSE            | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                     | Labor                                       | 8,275            | 9,710            | 10,099           | 10,503           | 10,923           | 11,360           |
| 54060 - PRIOR YEAR ADJUSTMENT             | None                                        | -                | -                | -                | -                | -                | -                |
|                                           | <b>Subtotal 4104000:</b>                    | <b>478,937</b>   | <b>572,506</b>   | <b>595,406</b>   | <b>619,222</b>   | <b>643,991</b>   | <b>669,751</b>   |
| <b>4104500 - WATER-ENGINEERING SVCS</b>   |                                             |                  |                  |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                   | Labor                                       | 1,220,756        | 1,347,848        | 1,401,762        | 1,457,832        | 1,516,145        | 1,576,791        |
| 51110 - OVERTIME WAGES                    | Labor                                       | 4,000            | 5,200            | 5,408            | 5,624            | 5,849            | 6,083            |
| 51120 - PART TIME WAGES                   | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51160 - XREG                              | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT                | Labor                                       | 532,652          | 569,753          | 592,543          | 616,245          | 640,895          | 666,530          |
| 51220 - RETIREE EXPENSE                   | Labor                                       | 33,455           | 36,799           | 38,271           | 39,802           | 41,394           | 43,050           |
| 51230 - GASB68 PENSION EXPENSE            | Labor                                       | -                | -                | -                | -                | -                | -                |
| 51300 - PAYROLL TAXES                     | Labor                                       | 31,266           | 34,370           | 35,745           | 37,175           | 38,662           | 40,208           |
| 52010 - UTILITIES-ELECTRICITY             | Utilities - Electric/Natural Gas/Sanitation | 24,000           | 12,000           | 12,600           | 13,230           | 13,892           | 14,586           |
| 52020 - UTILITIES-WATER USAGE             | Utilities - Electric/Natural Gas/Sanitation | 900              | 750              | 788              | 827              | 868              | 912              |
| 52030 - UTILITIES-NATURAL GAS             | Utilities - Electric/Natural Gas/Sanitation | 1,300            | 800              | 840              | 882              | 926              | 972              |
| 52060 - TELEPHONE                         | General                                     | 6,000            | 4,500            | 4,635            | 4,774            | 4,917            | 5,065            |
| 52110 - SUPPLIES                          | General                                     | 14,500           | 11,500           | 11,845           | 12,200           | 12,566           | 12,943           |
| 52130 - SUBS /PUBLICATIONS / DUES         | General                                     | -                | 500              | 515              | 530              | 546              | 563              |
| 52140 - TRAINING AND EDUCATION            | General                                     | 14,250           | 5,050            | 5,202            | 5,358            | 5,518            | 5,684            |
| 52150 - TRAVEL & MEETINGS                 | General - Travel & Meetings                 | 5,600            | 3,650            | 3,778            | 3,910            | 4,047            | 4,188            |
| 52165 - CITY OUTREACH EVENTS              | General                                     | 1,500            | 2,500            | 2,575            | 2,652            | 2,732            | 2,814            |
| 52170 - ADVERTISING/LEGAL NOTICES         | General                                     | 1,500            | 1,000            | 1,030            | 1,061            | 1,093            | 1,126            |
| 52180 - RECRUITMENT EXPENDITURES          | General                                     | 500              | 500              | 515              | 530              | 546              | 563              |
| 52201 - VEHICLE FUEL                      | Fuel                                        | 18,000           | 8,000            | 8,400            | 8,820            | 9,261            | 9,724            |
| 52230 - VEHICLE EXPENSE                   | General                                     | 10,000           | 4,000            | 4,120            | 4,244            | 4,371            | 4,502            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000   | General                                     | 800              | 800              | 824              | 849              | 874              | 900              |
| 52260 - COMPUTER EQUIPMENT <\$5000        | General                                     | -                | -                | -                | -                | -                | -                |
| 52300 - CONTRACT SERVICES                 | General                                     | 360,152          | 190,000          | 195,700          | 201,571          | 207,618          | 213,847          |
| 52350 - LEGAL                             | General                                     | 25,000           | 30,000           | 30,900           | 31,827           | 32,782           | 33,765           |
| 52410 - BUILDING MAINTENANCE              | General                                     | -                | -                | -                | -                | -                | -                |
| 52440 - INFRASTRUCTURE REPAIRS            | General                                     | -                | -                | -                | -                | -                | -                |
| 52460 - DEPRECIATION EXPENSE              | None                                        | -                | -                | -                | -                | -                | -                |
| 54010 - TRANSFERS OUT                     | None                                        | -                | -                | -                | -                | -                | -                |
| 54055 - GAIN/LOSS DISPOSAL OF ASSETS      | None                                        | -                | -                | -                | -                | -                | -                |
| 54060 - PRIOR YEAR ADJUSTMENT             | None                                        | -                | -                | -                | -                | -                | -                |
|                                           | <b>Subtotal 4104500:</b>                    | <b>2,306,130</b> | <b>2,269,520</b> | <b>2,357,994</b> | <b>2,449,943</b> | <b>2,545,503</b> | <b>2,644,816</b> |



**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                          | Escalation Factor | FY 2026         | FY 2027         | FY 2028          | FY 2029          | FY 2030          | FY 2031          |
|---------------------------------------------|-------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
|                                             |                   | <i>Budgeted</i> | <i>Budgeted</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> | <i>Projected</i> |
| <b>4105001 - WATER ASPHALT</b>              |                   |                 |                 |                  |                  |                  |                  |
| 51100 - FULL TIME WAGES                     | Labor             | 138,232         | 145,637         | 151,463          | 157,521          | 163,822          | 170,375          |
| 51110 - OVERTIME WAGES                      | Labor             | 500             | 520             | 541              | 562              | 585              | 608              |
| 51160 - XREG                                | Labor             | -               | -               | -                | -                | -                | -                |
| 51200 - FRINGE BENEFITS-FT                  | Labor             | 63,757          | 65,518          | 68,138           | 70,864           | 73,698           | 76,646           |
| 51300 - PAYROLL TAXES                       | Labor             | 3,563           | 3,714           | 3,862            | 4,017            | 4,177            | 4,345            |
| 52110 - SUPPLIES                            | General           | 1,500           | 1,500           | 1,545            | 1,591            | 1,639            | 1,688            |
| 52201 - VEHICLE FUEL                        | Fuel              | -               | -               | -                | -                | -                | -                |
| 52202 - EQUIPMENT FUEL                      | Fuel              | -               | -               | -                | -                | -                | -                |
| 52240 - SMALL TOOLS & FURNITURE <\$5000     | General           | 100             | 100             | 103              | 106              | 109              | 113              |
| 52440 - INFRASTRUCTURE REPAIRS              | General           | 22,000          | 22,000          | 22,660           | 23,340           | 24,040           | 24,761           |
| 54010 - TRANSFERS OUT                       | None              | -               | -               | -                | -                | -                | -                |
| <b>Subtotal 4105001:</b>                    |                   | <b>229,652</b>  | <b>238,988</b>  | <b>248,312</b>   | <b>258,001</b>   | <b>268,071</b>   | <b>278,536</b>   |
| <b>4110020 - WID #2 - NON-OPERATING</b>     |                   |                 |                 |                  |                  |                  |                  |
| 52455 - UTILITY ASSISTANCE                  | General           | -               | -               | -                | -                | -                | -                |
| 54050 - UNCOLLECTABLE WRITE-OFFS            | General           | -               | -               | -                | -                | -                | -                |
| 54120 - DEBT SERVICE INTEREST               | None              | -               | -               | -                | -                | -                | -                |
| <b>Subtotal 4110020:</b>                    |                   | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>4110201 - WID #2 - 98 BALDY MESA COP</b> |                   |                 |                 |                  |                  |                  |                  |
| 54120 - DEBT SERVICE INTEREST               | None              | -               | -               | -                | -                | -                | -                |
| 54130 - BOND ISSUANCE FEE                   | None              | -               | -               | -                | -                | -                | -                |
| 54140 - TRUSTEE SERVICE FEE                 | None              | -               | -               | -                | -                | -                | -                |
| <b>Subtotal 4110201:</b>                    |                   | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>4110202 - WID #2 - 06 BALDY MESA COP</b> |                   |                 |                 |                  |                  |                  |                  |
| 52360 - FEDERAL/STATE /LOCAL FEES           | General           | -               | -               | -                | -                | -                | -                |
| 54130 - BOND ISSUANCE FEE                   | None              | -               | -               | -                | -                | -                | -                |
| 54140 - TRUSTEE SERVICE FEE                 | None              | -               | -               | -                | -                | -                | -                |
| <b>Subtotal 4110202:</b>                    |                   | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Operating Expenses                      | Escalation Factor            | FY 2026           | FY 2027           | FY 2028           | FY 2029           | FY 2030           | FY 2031           |
|-----------------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                         |                              | <i>Budgeted</i>   | <i>Budgeted</i>   | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  | <i>Projected</i>  |
| <b>4130520 - RECLAIMED WATER</b>        |                              |                   |                   |                   |                   |                   |                   |
| 51100 - FULL TIME WAGES                 | Labor                        | 181,957           | 172,506           | 179,406           | 186,582           | 194,045           | 201,807           |
| 51110 - OVERTIME WAGES                  | Labor                        | 500               | 1,560             | 1,622             | 1,687             | 1,755             | 1,825             |
| 51160 - XREG                            | Labor                        | -                 | -                 | -                 | -                 | -                 | -                 |
| 51200 - FRINGE BENEFITS-FT              | Labor                        | 78,475            | 72,231            | 75,120            | 78,125            | 81,250            | 84,500            |
| 51230 - GASB68 PENSION EXPENSE          | Labor                        | -                 | -                 | -                 | -                 | -                 | -                 |
| 51300 - PAYROLL TAXES                   | Labor                        | 4,708             | 4,399             | 4,575             | 4,758             | 4,948             | 5,146             |
| 52050 - UTILITIES-PRODUCTION POWER      | Utilities - Production Power | 8,000             | 8,160             | 8,772             | 9,430             | 10,137            | 10,897            |
| 52060 - TELEPHONE                       | General                      | 3,600             | 3,300             | 3,399             | 3,501             | 3,606             | 3,714             |
| 52110 - SUPPLIES                        | General                      | 10,675            | 7,500             | 7,725             | 7,957             | 8,195             | 8,441             |
| 52140 - TRAINING AND EDUCATION          | General                      | 6,505             | 8,349             | 8,599             | 8,857             | 9,123             | 9,397             |
| 52150 - TRAVEL & MEETINGS               | General - Travel & Meetings  | 3,600             | 4,200             | 4,347             | 4,499             | 4,657             | 4,820             |
| 52190 - DOT/PHYSICAL TEST               | General                      | 200               | 200               | 206               | 212               | 219               | 225               |
| 52201 - VEHICLE FUEL                    | Fuel                         | 9,000             | 7,500             | 7,875             | 8,269             | 8,682             | 9,116             |
| 52230 - VEHICLE EXPENSE                 | General                      | 5,000             | 3,000             | 3,090             | 3,183             | 3,278             | 3,377             |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | General                      | 3,000             | 3,000             | 3,090             | 3,183             | 3,278             | 3,377             |
| 52300 - CONTRACT SERVICES               | General                      | 219,800           | 221,200           | 227,836           | 234,671           | 241,711           | 248,963           |
| 52360 - FEDERAL/STATE/LOCAL FEES        | General                      | 75                | 75                | 77                | 80                | 82                | 84                |
| 52420 - GROUNDS MAINTENANCE             | General                      | -                 | -                 | -                 | -                 | -                 | -                 |
| 52440 - INFRASTRUCTURE REPAIRS          | General                      | 64,119            | 38,000            | 39,140            | 40,314            | 41,524            | 42,769            |
| 52460 - DEPRECIATION EXPENSE            | None                         | -                 | -                 | -                 | -                 | -                 | -                 |
| 53030 - PURCHASED WATER                 | General                      | -                 | -                 | -                 | -                 | -                 | -                 |
| 54010 - TRANSFERS OUT                   | None                         | -                 | -                 | -                 | -                 | -                 | -                 |
| 54020 - COST ALLOCATIONS PAID           | General                      | 74,819            | 77,064            | 79,376            | 81,757            | 84,210            | 86,736            |
| 54060 - PRIOR YEAR ADJUSTMENT           | None                         | -                 | -                 | -                 | -                 | -                 | -                 |
|                                         | <b>Subtotal 4130520:</b>     | <b>674,032</b>    | <b>632,243</b>    | <b>654,256</b>    | <b>677,065</b>    | <b>700,700</b>    | <b>725,194</b>    |
| <b>4131510 - REC - INFO TECHNOLOGY</b>  |                              |                   |                   |                   |                   |                   |                   |
| 52300 - CONTRACT SERVICES               | General                      | 3,099             | 3,192             | 3,288             | 3,386             | 3,488             | 3,593             |
|                                         | <b>Subtotal 4131510:</b>     | <b>3,099</b>      | <b>3,192</b>      | <b>3,288</b>      | <b>3,386</b>      | <b>3,488</b>      | <b>3,593</b>      |
| <b>Total Operating Expenses:</b>        |                              | <b>39,589,132</b> | <b>40,328,670</b> | <b>41,741,388</b> | <b>43,280,735</b> | <b>44,860,482</b> | <b>46,477,512</b> |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Summary of Operating Expenses by Organization | FY 2026                          | FY 2027             | FY 2028             | FY 2029             | FY 2030             | FY 2031             |
|-----------------------------------------------|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                               | <i>Budgeted</i>                  | <i>Budgeted</i>     | <i>Projected</i>    | <i>Projected</i>    | <i>Projected</i>    | <i>Projected</i>    |
| 4100030 - WATER-ADMINISTRATION                | \$7,173,361                      | \$7,318,907         | \$7,736,819         | \$7,990,140         | \$8,251,917         | \$8,522,440         |
| 4100030E - WATER ADMINISTRATION EDD           | 62,500                           | 111,775             | 103,579             | 106,762             | 110,043             | 113,426             |
| 4100500 - WATER-SUPPLY                        | 16,829,429                       | 17,286,560          | 18,089,918          | 18,935,550          | 19,825,981          | 20,763,900          |
| 4100505 - WATER- SCADA                        | 884,772                          | 1,158,330           | 947,478             | 983,459             | 1,020,825           | 1,059,630           |
| 4100510 - WATER-HD POWER PLANT                | (116,313)                        | (106,296)           | (237,216)           | (398,017)           | (594,570)           | (833,858)           |
| 4100525 - WATER EFFICIENCY                    | 1,094,284                        | 960,693             | 994,624             | 1,029,779           | 1,066,203           | 1,103,944           |
| 4100530 - WATER-METER SVCS                    | 2,398,700                        | 2,208,358           | 2,287,037           | 2,368,578           | 2,453,089           | 2,540,681           |
| 4100535 - WATER-FIELD SVCS                    | 3,132,738                        | 3,529,368           | 3,662,744           | 3,801,246           | 3,945,074           | 4,094,436           |
| 4100540 - WATER - WID 2                       | 136,987                          | 90,352              | 93,460              | 96,680              | 100,018             | 103,479             |
| 4100541 - WATER - WID 1                       | 297,762                          | 309,525             | 322,022             | 335,031             | 348,575             | 362,676             |
| 4100543 - WATER LINE LOCATING                 | 147,852                          | 199,954             | 207,898             | 216,157             | 224,746             | 233,676             |
| 4100545 - WATER-CUSTOMER SVCS                 | 3,427,747                        | 3,228,648           | 3,346,644           | 3,469,150           | 3,596,338           | 3,728,389           |
| 4100710 - WATER - WW TREATMENT                | -                                | -                   | -                   | -                   | -                   | -                   |
| 4101510 - WATER-INFO TECHNOLOGY               | 235,260                          | 66,585              | 68,583              | 70,640              | 72,759              | 74,942              |
| 4101515 - WATER-IT GIS                        | 192,203                          | 249,462             | 258,543             | 267,961             | 277,729             | 287,859             |
| 4104000 - WATER - CODE ENFORCEMENT            | 478,937                          | 572,506             | 595,406             | 619,222             | 643,991             | 669,751             |
| 4104500 - WATER-ENGINEERING SVCS              | 2,306,130                        | 2,269,520           | 2,357,994           | 2,449,943           | 2,545,503           | 2,644,816           |
| 4105001 - WATER ASPHALT                       | 229,652                          | 238,988             | 248,312             | 258,001             | 268,071             | 278,536             |
| 4110020 - WID #2 - NON-OPERATING              | -                                | -                   | -                   | -                   | -                   | -                   |
| 4110201 - WID #2 - 98 BALDY MESA COP          | -                                | -                   | -                   | -                   | -                   | -                   |
| 4110202 - WID #2 - 06 BALDY MESA COP          | -                                | -                   | -                   | -                   | -                   | -                   |
| 4130520 - RECLAIMED WATER                     | 674,032                          | 632,243             | 654,256             | 677,065             | 700,700             | 725,194             |
| 4131510 - REC - INFO TECHNOLOGY               | 3,099                            | 3,192               | 3,288               | 3,386               | 3,488               | 3,593               |
| <b>Total Operating Expenses</b>               | <b>Total Operating Expenses:</b> | <b>\$39,589,132</b> | <b>\$40,328,670</b> | <b>\$41,741,388</b> | <b>\$43,280,735</b> | <b>\$44,860,482</b> |
|                                               |                                  | -                   | -                   | -                   | -                   | -                   |
| Summary of Operating Expenses by Fund         | FY 2026                          | FY 2027             | FY 2028             | FY 2029             | FY 2030             | FY 2031             |
| 410                                           | 38,912,000                       | 39,693,235          | 41,083,845          | 42,600,284          | 44,156,294          | 45,748,725          |
| 411                                           | -                                | -                   | -                   | -                   | -                   | -                   |
| 413                                           | 677,132                          | 635,435             | 657,543             | 680,451             | 704,188             | 728,787             |
| <b>Total Operating Expenses:</b>              | <b>39,589,132</b>                | <b>40,328,670</b>   | <b>41,741,388</b>   | <b>43,280,735</b>   | <b>44,860,482</b>   | <b>46,477,512</b>   |

**Table 5**  
**Victorville Water District**  
**Operating Expenses**

| Cost Inflation Factor                         | FY 2026           | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-----------------------------------------------|-------------------|---------|---------|---------|---------|---------|
| General                                       | <i>per budget</i> | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| None                                          | <i>per budget</i> | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| General - Travel & Meetings                   | <i>per budget</i> | 3.50%   | 3.50%   | 3.50%   | 3.50%   | 3.50%   |
| Labor                                         | <i>per budget</i> | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| Fuel                                          | <i>per budget</i> | 5.00%   | 5.00%   | 5.00%   | 5.00%   | 5.00%   |
| Utilities - Electric/Natural Gas/Sanitation   | <i>per budget</i> | 5.00%   | 5.00%   | 5.00%   | 5.00%   | 5.00%   |
| Utilities - Production Power                  | <i>per budget</i> | 7.50%   | 7.50%   | 7.50%   | 7.50%   | 7.50%   |
| R-Cubed Water                                 | <i>per budget</i> | 4.50%   | 4.50%   | 4.50%   | 4.50%   | 4.50%   |
| Admin & Bio Assessment                        | <i>per budget</i> | 10.11%  | 10.11%  | 10.11%  | 10.11%  | 10.11%  |
| Groundwater Replenishment & Makeup Obligation | <i>per budget</i> | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| Meter Service Installation & Changeouts       | <i>per budget</i> | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| HDPP Reimbursement                            | <i>per budget</i> | 8.30%   | 17.79%  | 17.83%  | 17.87%  | 17.91%  |

1. Admin and Bio Assessment cost inflation is equal to the historical five year average change in cost.

**Table 6**  
**Victorville Water District**  
**Capital Improvement Program**

| Project Description                                         | FY 2026 <sup>1</sup> | FY 2027 <sup>2</sup> | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 | FY 2033 | FY 2034 | FY 2035 | FY 2036 |
|-------------------------------------------------------------|----------------------|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>WATER ADMIN</b>                                          |                      |                      |         |         |         |         |         |         |         |         |         |
| New Door for Access to City Hall                            | \$6,631              |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: WATER ADMIN</b>                                | <b>6,631</b>         |                      |         |         |         |         |         |         |         |         |         |
| <b>CUSTOMER SERVICE</b>                                     |                      |                      |         |         |         |         |         |         |         |         |         |
| Cubicles                                                    | 64,093               |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: CUSTOMER SERVICE</b>                           | <b>64,093</b>        |                      |         |         |         |         |         |         |         |         |         |
| <b>WATER PRODUCTION</b>                                     |                      |                      |         |         |         |         |         |         |         |         |         |
| Replace Chlorine Truck (27747)                              | 26,042               |                      |         |         |         |         |         |         |         |         |         |
| Replace Chlorine Truck (27748)                              | 26,042               |                      |         |         |         |         |         |         |         |         |         |
| New Forklift                                                | 49,707               |                      |         |         |         |         |         |         |         |         |         |
| Well 203 - Block Wall/Electric Gate                         | 167,245              |                      |         |         |         |         |         |         |         |         |         |
| La Mesa Treatment Plant - Block Wall/Electric Gate Well 207 | 422,250              |                      |         |         |         |         |         |         |         |         |         |
| El Evado Treatment Plant - Block Wall/Electric Gate         | 617,687              |                      |         |         |         |         |         |         |         |         |         |
| Coat Concrete El Evado                                      | 75,000               |                      |         |         |         |         |         |         |         |         |         |
| Spare Flow Meters                                           | 37,303               |                      |         |         |         |         |         |         |         |         |         |
| Spare Motor for Turnout 6                                   | 50,000               |                      |         |         |         |         |         |         |         |         |         |
| Spare Booster Motor for White Rd                            | 10,000               |                      |         |         |         |         |         |         |         |         |         |
| Upgrade & Outfit Booster Station at 395                     | 119,188              |                      |         |         |         |         |         |         |         |         |         |
| D2 Roof                                                     | 85,250               |                      |         |         |         |         |         |         |         |         |         |
| John Deere 650 P-Tier Dozer                                 | 80,668               |                      |         |         |         |         |         |         |         |         |         |
| White Rd Roofing                                            | 28,303               |                      |         |         |         |         |         |         |         |         |         |
| La Mesa Roofing                                             | 28,600               |                      |         |         |         |         |         |         |         |         |         |
| Burning Tree Roofing                                        | 17,359               |                      |         |         |         |         |         |         |         |         |         |
| Camelback Roofing                                           | 17,359               |                      |         |         |         |         |         |         |         |         |         |
| 395 Booster Station Roof                                    | 28,303               |                      |         |         |         |         |         |         |         |         |         |
| New 30" Butterfly Valve at El Evado TP                      | 50,000               |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: WATER PRODUCTION</b>                           | <b>1,936,306</b>     |                      |         |         |         |         |         |         |         |         |         |
| <b>SCADA</b>                                                |                      |                      |         |         |         |         |         |         |         |         |         |
| Radio Replacements                                          | 618,321              |                      |         |         |         |         |         |         |         |         |         |
| Scada Gas Pipeline                                          | 2,550                |                      |         |         |         |         |         |         |         |         |         |
| New Vehicle for Electrical Technician Assistant             | 7,218                |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: SCADA</b>                                      | <b>628,089</b>       |                      |         |         |         |         |         |         |         |         |         |
| <b>METER SERVICES</b>                                       |                      |                      |         |         |         |         |         |         |         |         |         |
| Advance Metering Inrastrcture (AMI)                         | 1,004,101            |                      |         |         |         |         |         |         |         |         |         |
| Tow Behind Vactor Trailer                                   | 69,013               |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: METER SERVICES</b>                             | <b>1,073,114</b>     |                      |         |         |         |         |         |         |         |         |         |
| <b>FIELD SERVICES</b>                                       |                      |                      |         |         |         |         |         |         |         |         |         |
| Replacement Vehicle 63207                                   | 156,693              |                      |         |         |         |         |         |         |         |         |         |
| Replacement Vehicle 23409                                   | 116,037              |                      |         |         |         |         |         |         |         |         |         |
| Turnout #5 - Amyethst/ Le Mesa                              | 110,662              |                      |         |         |         |         |         |         |         |         |         |
| Replace V#87088                                             | 52,551               |                      |         |         |         |         |         |         |         |         |         |
| Leak Detection Sounding Equipment                           | 20,986               |                      |         |         |         |         |         |         |         |         |         |
| <b>SUBTOTAL: FIELD SERVICES</b>                             | <b>456,929</b>       |                      |         |         |         |         |         |         |         |         |         |

**Table 6**  
**Victorville Water District**  
**Capital Improvement Program**

| Project Description                                                | FY 2026 <sup>1</sup> | FY 2027 <sup>2</sup> | FY 2028          | FY 2029          | FY 2030          | FY 2031          | FY 2032          | FY 2033          | FY 2034          | FY 2035          | FY 2036   |
|--------------------------------------------------------------------|----------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|
| <b>ENGINEERING DEPARTMENT</b>                                      |                      |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Svc Pipeline Rpmnt, Areas 4, 5, 8, 9, 10, 11, & 12 Design Contract | 225,000              |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Service Pipeline Replacement, Area 7                               | 1,312,211            |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Mojave Drive Water Infrastructure                                  | 94                   |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Ridgecrest Rd Pavement BV to Pahute                                | 24,904               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Roy Rodgers Pavement Amargosa to I-15                              | 12,598               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Turnout #5 - Amyethst/ Le Mesa                                     | 592                  |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Cannon Colorwave Plotter                                           | 18,685               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| <b>SUBTOTAL: ENGINEERING DEPARTMENT</b>                            | <b>1,594,083</b>     |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| <b>2026 WATER MASTER PLAN CIP</b>                                  |                      |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Pipelines - Mojave Dr (Phase 3)                                    |                      |                      |                  | 125,000          |                  |                  |                  |                  |                  |                  |           |
| Pipelines - BVR Pvmnt Imp Project                                  |                      |                      | 15,000           |                  |                  |                  |                  |                  |                  |                  |           |
| Rezoning                                                           |                      |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Supply - Generators                                                |                      |                      | 246,500          | 254,000          | 261,500          |                  |                  |                  |                  |                  |           |
| Reservoirs (R&R; 2-3 per yr)                                       | 4,035,000            | 4,081,000            | 1,912,000        | 1,827,000        | 1,342,000        | 1,530,000        | 17,000           |                  |                  |                  |           |
| Reservoirs - Annual Maintenance                                    | 68,000               | 70,000               | 72,000           | 74,000           | 76,000           | 78,000           | 81,000           | 83,000           | 85,000           | 88,000           |           |
| Wells (R&R; 2-3 per yr)                                            | 120,000              | 153,000              | 186,000          | 219,000          | 252,000          | 388,000          | 421,000          | 457,000          | 496,000          | 535,000          |           |
| Booster Stations (R&R)                                             | 210,000              | 217,000              | 224,000          |                  |                  |                  | 245,000          | 252,000          | 259,000          |                  | 275,000   |
| Meter Replacements (small)                                         |                      |                      |                  |                  | 1,312,000        | 1,351,000        | 1,392,000        | 1,433,000        | 1,476,000        | 1,521,000        | 1,566,000 |
| Meter Replacements (large)                                         |                      |                      |                  |                  | 41,000           |                  | 44,000           |                  | 47,000           |                  | 49,000    |
| Service Line Replacements (350/yr)                                 | 700,000              | 721,000              | 742,630          | 764,909          | 0                | 811,492          | 835,837          | 860,912          | 886,739          | 913,341          |           |
| Site Security Upgrades                                             |                      | 432,500              |                  | 756,000          | 0                | 2,204,000        | 2,336,000        | 2,036,000        | 1,447,000        | 903,000          |           |
| Equipment/Vehicles                                                 |                      | 889,000              | 916,000          | 944,000          | 972,000          | 1,001,000        | 1,031,000        | 1,062,000        | 1,094,000        | 1,127,000        |           |
| ROW/Utility Relocations                                            |                      |                      | 52,000           | 54,000           | 55,000           | 57,000           | 58,000           | 60,000           | 62,000           | 64,000           | 66,000    |
| SCADA                                                              |                      |                      | 258,000          | 266,000          | 274,000          | 282,000          | 290,000          | 299,000          | 308,000          | 317,000          | 327,000   |
| Planning Documents                                                 |                      |                      |                  |                  | 321,000          |                  |                  |                  |                  |                  | 372,000   |
| <b>SUBTOTAL: 2026 WATER MASTER PLAN CIP</b>                        | <b>5,133,000</b>     | <b>7,135,000</b>     | <b>4,751,630</b> | <b>6,528,409</b> | <b>4,653,000</b> | <b>8,041,492</b> | <b>6,765,837</b> | <b>6,650,912</b> | <b>5,910,739</b> | <b>6,221,341</b> |           |
| <b>FY27 BUDGETED CIP</b>                                           |                      |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Pipelines - Mojave Dr                                              | 341,907              |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Block Wall - 395 Booster Station                                   | 200,000              |                      | 200,000          |                  |                  |                  |                  |                  |                  |                  |           |
| Block Wall - Well 123                                              | 95,000               |                      | 95,000           |                  |                  |                  |                  |                  |                  |                  |           |
| Block Wall Well - 127                                              | 137,500              |                      | 137,500          |                  |                  |                  |                  |                  |                  |                  |           |
| Pump to Waste - Balsam TP                                          | 190,000              |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Auma Valve Actuators                                               | 80,000               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| CI2 Analyzing Equipment                                            | 50,000               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Data Logger                                                        | 17,000               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Ground Penetrating Radar                                           | 35,000               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Equipment/Vehicles                                                 | 1,240,000            |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| ROW/Utility Relocations                                            | 50,000               |                      |                  |                  |                  |                  |                  |                  |                  |                  |           |
| <b>SUBTOTAL: FY27 BUDGETED CIP</b>                                 | <b>2,436,407</b>     |                      | <b>432,500</b>   |                  |                  |                  |                  |                  |                  |                  |           |

**Table 6**  
**Victorville Water District**  
**Capital Improvement Program**

| Project Description                 | FY 2026 <sup>1</sup> | FY 2027 <sup>2</sup> | FY 2028            | FY 2029            | FY 2030            | FY 2031            | FY 2032            | FY 2033            | FY 2034            | FY 2035            | FY 2036            |
|-------------------------------------|----------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>FY26 CIP ROLLOVER</b>            |                      |                      |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| City Hall Iron Fence                |                      | 252,800              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Well 109 Replacement                |                      | 1,200,000            | 1,200,000          |                    |                    |                    |                    |                    |                    |                    |                    |
| AMI Project Completion              |                      | 200,000              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Supply- Generators                  |                      | 776,250              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Block Wall - Well 201               |                      | 164,000              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Block Walls - Wells 109, 128 & 131  |                      | 616,000              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Block Wall - Hesperia Rd Yard       |                      | 75,000               |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Pipelines - Hesperia Rd Yard        |                      | 100,000              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Large Meter Replacements            |                      | 150,000              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Replace Flowmeters - El Evado TP    |                      | 80,000               |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Spare Air Scour Motor - El Evado TP |                      | 50,000               |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Pipe Coating - R3 Turnouts 3 & 6    |                      | 50,000               |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| SCADA Hardware Upgrade              |                      | 172,243              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Equipment/Vehicles                  |                      | 390,259              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>SUBTOTAL: FY26 CIP ROLLOVER</b>  |                      | <b>4,276,552</b>     | <b>1,200,000</b>   |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Grand Total: CIP Costs</b>       | <b>\$5,759,244</b>   | <b>\$11,845,959</b>  | <b>\$8,767,500</b> | <b>\$4,751,630</b> | <b>\$6,528,409</b> | <b>\$4,653,000</b> | <b>\$8,041,492</b> | <b>\$6,765,837</b> | <b>\$6,650,912</b> | <b>\$5,910,739</b> | <b>\$6,221,341</b> |

<sup>1</sup> Data source for FY 2025/26 CIP costs is: *Fund 410 YE CIP Projection.xlsx*

<sup>2</sup> Data source for remaining years CIP costs is: *10-Year CIP\_4-23-26.xlsx*

**Table 7**  
**Victorville Water District**  
**Cash Flow Projection**

| <b>Water Cash Flow Projection</b> | <b>FY 2026</b>        | <b>FY 2027</b>        | <b>FY 2028</b>        | <b>FY 2029</b>       | <b>FY 2030</b>        | <b>FY 2031</b>       |
|-----------------------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|----------------------|
| Projected Demand Growth           |                       | 1.0%                  | 1.0%                  | 1.0%                 | 1.0%                  | 1.0%                 |
| Rate Revenue Increases            |                       | 4.0%                  | 4.0%                  | 4.0%                 | 4.0%                  | 4.0%                 |
| <b>Beginning Reserve Balance</b>  | <b>\$44,832,468</b>   | <b>\$41,671,504</b>   | <b>\$32,765,530</b>   | <b>\$28,617,478</b>  | <b>\$27,980,879</b>   | <b>\$25,661,111</b>  |
| <b>Revenues</b>                   |                       |                       |                       |                      |                       |                      |
| <b>Rate Revenue</b>               |                       |                       |                       |                      |                       |                      |
| Current Rate Revenue              | \$ 33,032,582         | \$ 33,362,908         | \$ 33,696,537         | \$ 34,033,502        | \$ 34,373,837         | \$ 34,717,575        |
| Revenue from Rate Increases       | -                     | 1,223,307             | 2,749,637             | 4,249,559            | 5,838,690             | 7,521,663            |
| Total Revenue Required from Rates | \$ 33,032,582         | \$ 34,586,214         | \$ 36,446,174         | \$ 38,283,061        | \$ 40,212,527         | \$ 42,239,239        |
| <b>Non-Rate Revenue</b>           |                       |                       |                       |                      |                       |                      |
| Miscellaneous <sup>1</sup>        | \$ 2,867,207          | \$ 2,730,308          | \$ 2,674,792          | \$ 2,618,675         | \$ 2,306,488          | \$ 2,285,049         |
| Interest                          | 2,048,091             | 948,360               | 745,678               | 651,277              | 636,789               | 583,996              |
| Other Charges/Fees <sup>2</sup>   | 3,562,400             | 4,368,338             | 5,836,650             | 5,162,302            | 5,209,130             | 5,257,181            |
| Total Non-Rate Revenue            | \$ 8,477,698          | \$ 8,047,006          | \$ 9,257,119          | \$ 8,432,254         | \$ 8,152,407          | \$ 8,126,226         |
| <b>Total Revenues</b>             | <b>\$ 41,510,279</b>  | <b>\$ 42,633,220</b>  | <b>\$ 45,703,293</b>  | <b>\$ 46,715,315</b> | <b>\$ 48,364,935</b>  | <b>\$ 50,365,465</b> |
| <b>Total Expenses</b>             |                       |                       |                       |                      |                       |                      |
| <b>Operating Expenses</b>         |                       |                       |                       |                      |                       |                      |
| Total Operating Expenses          | \$ 38,912,000         | \$ 39,693,235         | \$ 41,083,845         | \$ 42,600,284        | \$ 44,156,294         | \$ 45,748,725        |
| <b>Non-Operating Expenses</b>     |                       |                       |                       |                      |                       |                      |
| Rate Funded Capital               | 5,759,244             | 11,845,959            | 8,767,500             | 4,751,630            | 6,528,409             | 4,653,000            |
| <b>Total Expenses</b>             | <b>\$ 44,671,244</b>  | <b>\$ 51,539,194</b>  | <b>\$ 49,851,345</b>  | <b>\$ 47,351,914</b> | <b>\$ 50,684,703</b>  | <b>\$ 50,401,725</b> |
| <b>Revenues Less Expenses</b>     | <b>\$ (3,160,965)</b> | <b>\$ (8,905,974)</b> | <b>\$ (4,148,052)</b> | <b>\$ (636,599)</b>  | <b>\$ (2,319,768)</b> | <b>\$ (36,260)</b>   |
| <b>Ending Reserve Balance</b>     | <b>\$ 41,671,504</b>  | <b>\$ 32,765,530</b>  | <b>\$ 28,617,478</b>  | <b>\$ 27,980,879</b> | <b>\$ 25,661,111</b>  | <b>\$ 25,624,852</b> |
| Reserve Fund Target               | 22,952,614            | 23,309,703            | 23,522,004            | 23,741,707           | 24,150,448            | 24,465,660           |

1. Miscellaneous revenue is primarily from a repayment by the City of Victorville's Sewer fund to the Water District and approximately \$40,000 in other miscellaneous revenues.
2. Other Charges/Fees consists of revenue from various sources such as permit and plan check fees, penalty/late fees, meter installations, service calls, etc. Details for all sources of revenue can be found in the Appendix pages 4-6.



**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                          | Revenue Reqt.    | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |                  |          |          |                |
|--------------------------------------------|------------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|------------------|----------|----------|----------------|
|                                            | FY 2027          | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity         | Customer | Recycled | Fire           |
| <b>4100030 - WATER-ADMINISTRATION</b>      |                  |                           |            |           |           |           |                            |                  |          |          |                |
| 51100 - FULL TIME WAGES                    | \$1,029,241      | 0%                        | 98%        | 0%        | 0%        | 1.69%     | \$0                        | \$1,011,800      | \$0      | \$0      | \$17,442       |
| 51110 - OVERTIME WAGES                     | 4,160            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,090            | -        | -        | 70             |
| 51120 - PART TIME WAGES                    | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51160 - XREG                               | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51200 - FRINGE BENEFITS-FT                 | 426,428          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 419,201          | -        | -        | 7,226          |
| 51201 - FRINGE BENEFITS-PT                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51220 - RETIREE EXPENSE                    | 261,882          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 257,444          | -        | -        | 4,438          |
| 51230 - GASB68 PENSION EXPENSE             | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51300 - PAYROLL TAXES                      | 26,246           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 25,801           | -        | -        | 445            |
| 51301 - PAYROLL TAXES - PT                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52010 - UTILITIES-ELECTRICITY              | 30,600           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 30,081           | -        | -        | 519            |
| 52020 - UTILITIES-WATER USAGE              | 2,090            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,055            | -        | -        | 35             |
| 52030 - UTILITIES-NATURAL GAS              | 2,575            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,531            | -        | -        | 44             |
| 52040 - UTILITIES-SANITATION               | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52060 - TELEPHONE                          | 22,180           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 21,804           | -        | -        | 376            |
| 52110 - SUPPLIES                           | 8,692            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 8,545            | -        | -        | 147            |
| 52130 - SUBS /PUBLICATIONS / DUES          | 9,830            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 9,663            | -        | -        | 167            |
| 52140 - TRAINING AND EDUCATION             | 28,874           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 28,385           | -        | -        | 489            |
| 52150 - TRAVEL & MEETINGS                  | 37,700           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 37,061           | -        | -        | 639            |
| 52160 - MARKETING & PROMOTION              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52165 - CITY OUTREACH EVENTS               | 5,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,915            | -        | -        | 85             |
| 52170 - ADVERTISING/LEGAL NOTICES          | 4,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 3,932            | -        | -        | 68             |
| 52180 - RECRUITMENT EXPENDITURES           | 1,500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,475            | -        | -        | 25             |
| 52190 - DOT/PHYSICAL TEST                  | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52201 - VEHICLE FUEL                       | 12,500           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 12,288           | -        | -        | 212            |
| 52220 - EQUIPMENT EXPENSE                  | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52230 - VEHICLE EXPENSE                    | 3,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,949            | -        | -        | 51             |
| 52240 - SMALL TOOLS & FURNITURE <\$5000    | 5,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,915            | -        | -        | 85             |
| 52260 - COMPUTER EQUIPMENT <\$5000         | 1,500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,475            | -        | -        | 25             |
| 52300 - CONTRACT SERVICES                  | 503,316          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 494,787          | -        | -        | 8,529          |
| 52340 - INSURANCE                          | 1,736,632        | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,707,203        | -        | -        | 29,429         |
| 52350 - LEGAL                              | 125,000          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 122,882          | -        | -        | 2,118          |
| 52360 - FEDERAL/STATE /LOCAL FEES          | 190,081          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 186,860          | -        | -        | 3,221          |
| 52410 - BUILDING MAINTENANCE               | 2,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,966            | -        | -        | 34             |
| 52450 - VANDALISM/ACCIDENTS                | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52460 - DEPRECIATION EXPENSE               | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 54020 - COST ALLOCATIONS PAID              | 2,838,880        | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,790,772        | -        | -        | 48,108         |
| Allocation to Reclaimed Water              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| Anticipated Staff Increases                | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| <b>SUBTOTAL: WATER-ADMINISTRATION</b>      | <b>7,318,907</b> | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>7,194,880</b> | <b>-</b> | <b>-</b> | <b>124,027</b> |
| <b>4100030E - WATER ADMINISTRATION EDD</b> |                  |                           |            |           |           |           |                            |                  |          |          |                |
| 51110 - OVERTIME WAGES                     | 650              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 639              | -        | -        | 11             |
| 51120 - PART TIME WAGES                    | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51201 - FRINGE BENEFITS-PT                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51300 - PAYROLL TAXES                      | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51301 - PAYROLL TAXES - PT                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52060 - TELEPHONE                          | 375              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 369              | -        | -        | 6              |
| 52110 - SUPPLIES                           | 550              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 541              | -        | -        | 9              |
| 52130 - SUBS /PUBLICATIONS / DUES          | 2,425            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,384            | -        | -        | 41             |
| 52140 - TRAINING AND EDUCATION             | 1,025            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,008            | -        | -        | 17             |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                         | Revenue Req.      | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |                |          |          |              |
|-------------------------------------------|-------------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|----------------|----------|----------|--------------|
|                                           | FY 2027           | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity       | Customer | Recycled | Fire         |
| 52150 - TRAVEL & MEETINGS                 | 11,313            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 11,121         | -        | -        | 192          |
| 52160 - MARKETING & PROMOTION             | 32,963            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 32,404         | -        | -        | 559          |
| 52165 - CITY OUTREACH EVENTS              | 8,750             | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 8,602          | -        | -        | 148          |
| 52170 - ADVERTISING/LEGAL NOTICES         | 6,725             | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 6,611          | -        | -        | 114          |
| 52180 - RECRUITMENT EXPENDITURES          | 250               | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 246            | -        | -        | 4            |
| 52201 - VEHICLE FUEL                      | 500               | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492            | -        | -        | 8            |
| 52220 - EQUIPMENT EXPENSE                 | -                 | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -        | -        | -            |
| 52230 - VEHICLE EXPENSE                   | 500               | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492            | -        | -        | 8            |
| 52300 - CONTRACT SERVICES                 | 45,750            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 44,975         | -        | -        | 775          |
| 52340 - INSURANCE                         | -                 | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -        | -        | -            |
| 54010 - TRANSFERS OUT                     | -                 | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -        | -        | -            |
| <b>SUBTOTAL: WATER-ADMINISTRATION EDD</b> | <b>111,775</b>    | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>109,881</b> | <b>-</b> | <b>-</b> | <b>1,894</b> |
| <b>4100500 - WATER-SUPPLY</b>             |                   |                           |            |           |           |           |                            |                |          |          |              |
| 51100 - FULL TIME WAGES                   | 1,405,832         | 100%                      | 0%         | 0%        | 0%        | 0%        | 1,405,832                  | -              | -        | -        | -            |
| 51110 - OVERTIME WAGES                    | 98,800            | 100%                      | 0%         | 0%        | 0%        | 0%        | 98,800                     | -              | -        | -        | -            |
| 51150 - STANDBY WAGES                     | 16,270            | 100%                      | 0%         | 0%        | 0%        | 0%        | 16,270                     | -              | -        | -        | -            |
| 51160 - XREG                              | -                 | 100%                      | 0%         | 0%        | 0%        | 0%        | -                          | -              | -        | -        | -            |
| 51200 - FRINGE BENEFITS-FT                | 679,955           | 100%                      | 0%         | 0%        | 0%        | 0%        | 679,955                    | -              | -        | -        | -            |
| 51220 - RETIREE EXPENSE                   | -                 | 100%                      | 0%         | 0%        | 0%        | 0%        | -                          | -              | -        | -        | -            |
| 51230 - GASB68 PENSION EXPENSE            | -                 | 100%                      | 0%         | 0%        | 0%        | 0%        | -                          | -              | -        | -        | -            |
| 51300 - PAYROLL TAXES                     | 35,849            | 100%                      | 0%         | 0%        | 0%        | 0%        | 35,849                     | -              | -        | -        | -            |
| 52050 - UTILITIES-PRODUCTION POWER        | 3,708,000         | 100%                      | 0%         | 0%        | 0%        | 0%        | 3,708,000                  | -              | -        | -        | -            |
| 52060 - TELEPHONE                         | 25,000            | 100%                      | 0%         | 0%        | 0%        | 0%        | 25,000                     | -              | -        | -        | -            |
| 52110 - SUPPLIES                          | 422,999           | 100%                      | 0%         | 0%        | 0%        | 0%        | 422,999                    | -              | -        | -        | -            |
| 52130 - SUBS /PUBLICATIONS / DUES         | 390               | 100%                      | 0%         | 0%        | 0%        | 0%        | 390                        | -              | -        | -        | -            |
| 52140 - TRAINING AND EDUCATION            | 17,554            | 100%                      | 0%         | 0%        | 0%        | 0%        | 17,554                     | -              | -        | -        | -            |
| 52150 - TRAVEL & MEETINGS                 | 15,700            | 100%                      | 0%         | 0%        | 0%        | 0%        | 15,700                     | -              | -        | -        | -            |
| 52165 - CITY OUTREACH EVENTS              | 1,500             | 100%                      | 0%         | 0%        | 0%        | 0%        | 1,500                      | -              | -        | -        | -            |
| 52190 - DOT/PHYSICAL TEST                 | 700               | 100%                      | 0%         | 0%        | 0%        | 0%        | 700                        | -              | -        | -        | -            |
| 52201 - VEHICLE FUEL                      | 100,000           | 100%                      | 0%         | 0%        | 0%        | 0%        | 100,000                    | -              | -        | -        | -            |
| 52220 - EQUIPMENT EXPENSE                 | 20,000            | 100%                      | 0%         | 0%        | 0%        | 0%        | 20,000                     | -              | -        | -        | -            |
| 52230 - VEHICLE EXPENSE                   | 60,000            | 100%                      | 0%         | 0%        | 0%        | 0%        | 60,000                     | -              | -        | -        | -            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000   | 15,000            | 100%                      | 0%         | 0%        | 0%        | 0%        | 15,000                     | -              | -        | -        | -            |
| 52300 - CONTRACT SERVICES                 | 2,683,516         | 100%                      | 0%         | 0%        | 0%        | 0%        | 2,683,516                  | -              | -        | -        | -            |
| 52340 - INSURANCE                         | 3,001             | 100%                      | 0%         | 0%        | 0%        | 0%        | 3,001                      | -              | -        | -        | -            |
| 52360 - FEDERAL/STATE /LOCAL FEES         | 16,675            | 100%                      | 0%         | 0%        | 0%        | 0%        | 16,675                     | -              | -        | -        | -            |
| 52420 - GROUNDS MAINTENANCE               | 55,439            | 100%                      | 0%         | 0%        | 0%        | 0%        | 55,439                     | -              | -        | -        | -            |
| 52440 - INFRASTRUCTURE REPAIRS            | 185,640           | 100%                      | 0%         | 0%        | 0%        | 0%        | 185,640                    | -              | -        | -        | -            |
| 52460 - DEPRECIATION EXPENSE              | -                 | 100%                      | 0%         | 0%        | 0%        | 0%        | -                          | -              | -        | -        | -            |
| 53030 - PURCHASED WATER                   | 832,000           | 100%                      | 0%         | 0%        | 0%        | 0%        | 832,000                    | -              | -        | -        | -            |
| 53040 - GROUNDWATER ASSESSMENT            | 198,240           | 100%                      | 0%         | 0%        | 0%        | 0%        | 198,240                    | -              | -        | -        | -            |
| 53050 - GROUNDWATER REPLENISHMENT         | 6,688,500         | 100%                      | 0%         | 0%        | 0%        | 0%        | 6,688,500                  | -              | -        | -        | -            |
| Allocation to Reclaimed Water             | -                 | 100%                      | 0%         | 0%        | 0%        | 0%        | -                          | -              | -        | -        | -            |
| <b>SUBTOTAL: WATER-SUPPLY</b>             | <b>17,286,560</b> | <b>100%</b>               | <b>0%</b>  | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>17,286,560</b>          | <b>-</b>       | <b>-</b> | <b>-</b> | <b>-</b>     |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                       | Revenue Req.     | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |                  |          |          |                |
|-----------------------------------------|------------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|------------------|----------|----------|----------------|
|                                         | FY 2027          | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity         | Customer | Recycled | Fire           |
| <b>4100505 - WATER- SCADA</b>           |                  |                           |            |           |           |           |                            |                  |          |          |                |
| 51100 - FULL TIME WAGES                 | 445,368          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 437,821          | -        | -        | 7,547          |
| 51110 - OVERTIME WAGES                  | 36,400           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 35,783           | -        | -        | 617            |
| 51160 - XREG                            | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51200 - FRINGE BENEFITS-FT              | 192,787          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 189,520          | -        | -        | 3,267          |
| 51220 - RETIREE EXPENSE                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51230 - GASB68 PENSION EXPENSE          | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51300 - PAYROLL TAXES                   | 11,357           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 11,164           | -        | -        | 192            |
| 52060 - TELEPHONE                       | 4,500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,424            | -        | -        | 76             |
| 52110 - SUPPLIES                        | 11,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 10,814           | -        | -        | 186            |
| 52130 - SUBS /PUBLICATIONS / DUES       | 360              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 354              | -        | -        | 6              |
| 52140 - TRAINING AND EDUCATION          | 13,758           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 13,525           | -        | -        | 233            |
| 52150 - TRAVEL & MEETINGS               | 12,800           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 12,583           | -        | -        | 217            |
| 52190 - DOT/PHYSICAL TEST               | 500              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492              | -        | -        | 8              |
| 52201 - VEHICLE FUEL                    | 17,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 16,712           | -        | -        | 288            |
| 52230 - VEHICLE EXPENSE                 | 13,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 12,780           | -        | -        | 220            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | 12,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 11,797           | -        | -        | 203            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | 8,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 7,864            | -        | -        | 136            |
| 52300 - CONTRACT SERVICES               | 329,500          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 323,916          | -        | -        | 5,584          |
| 52340 - INSURANCE                       | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 52440 - INFRASTRUCTURE REPAIRS          | 50,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 49,153           | -        | -        | 847            |
| 52460 - DEPRECIATION EXPENSE            | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 54060 - PRIOR YEAR ADJUSTMENT           | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| Allocation to Reclaimed Water           | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| <b>SUBTOTAL: WATER-SCADA</b>            | <b>1,158,330</b> | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>1,138,701</b> | <b>-</b> | <b>-</b> | <b>19,629</b>  |
| <b>4100510 - WATER-HD POWER PLANT</b>   |                  |                           |            |           |           |           |                            |                  |          |          |                |
| 47230 - REIMBURSEMENTS - OTHER          | (1,039,673)      | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | (1,022,055)      | -        | -        | (17,618)       |
| 51100 - FULL TIME WAGES                 | 57,200           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 56,231           | -        | -        | 969            |
| 51110 - OVERTIME WAGES                  | 52,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 51,119           | -        | -        | 881            |
| 51150 - STANDBY WAGES                   | 16,270           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 15,994           | -        | -        | 276            |
| 51160 - XREG                            | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| 51200 - FRINGE BENEFITS-FT              | 5,720            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 5,623            | -        | -        | 97             |
| 51300 - PAYROLL TAXES                   | 1,352            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,329            | -        | -        | 23             |
| 52050 - UTILITIES-PRODUCTION POWER      | 550,115          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 540,792          | -        | -        | 9,322          |
| 52110 - SUPPLIES                        | 31,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 30,475           | -        | -        | 525            |
| 52300 - CONTRACT SERVICES               | 203,200          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 199,757          | -        | -        | 3,443          |
| 52360 - FEDERAL/STATE /LOCAL FEES       | 521              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 512              | -        | -        | 9              |
| 52420 - GROUNDS MAINTENANCE             | 6,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 5,898            | -        | -        | 102            |
| 52440 - INFRASTRUCTURE REPAIRS          | 10,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 9,831            | -        | -        | 169            |
| 53030 - PURCHASED WATER                 | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -        | -              |
| <b>SUBTOTAL: WATER-HD POWER PLANT</b>   | <b>(106,296)</b> | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>(104,494)</b> | <b>-</b> | <b>-</b> | <b>(1,801)</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                       | Revenue Req.   | Functional Allocation (%) |           |           |           |           | Functional Allocation (\$) |          |          |          |          |
|-----------------------------------------|----------------|---------------------------|-----------|-----------|-----------|-----------|----------------------------|----------|----------|----------|----------|
|                                         | FY 2027        | Commodity                 | Capacity  | Customer  | Recycled  | Fire      | Commodity                  | Capacity | Customer | Recycled | Fire     |
| <b>4100525 - WATER EFFICIENCY</b>       |                |                           |           |           |           |           |                            |          |          |          |          |
| 51100 - FULL TIME WAGES                 | 331,801        | 100%                      | 0%        | 0%        | 0%        | 0%        | 331,801                    | -        | -        | -        | -        |
| 51110 - OVERTIME WAGES                  | 15,600         | 100%                      | 0%        | 0%        | 0%        | 0%        | 15,600                     | -        | -        | -        | -        |
| 51160 - XREG                            | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 51200 - FRINGE BENEFITS-FT              | 130,966        | 100%                      | 0%        | 0%        | 0%        | 0%        | 130,966                    | -        | -        | -        | -        |
| 51201 - FRINGE BENEFITS-PT              | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 51220 - RETIREE EXPENSE                 | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 51230 - GASB68 PENSION EXPENSE          | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 51300 - PAYROLL TAXES                   | 8,461          | 100%                      | 0%        | 0%        | 0%        | 0%        | 8,461                      | -        | -        | -        | -        |
| 52010 - UTILITIES-ELECTRICITY           | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52020 - UTILITIES-WATER USAGE           | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52030 - UTILITIES-NATURAL GAS           | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52060 - TELEPHONE                       | 3,465          | 100%                      | 0%        | 0%        | 0%        | 0%        | 3,465                      | -        | -        | -        | -        |
| 52110 - SUPPLIES                        | 27,897         | 100%                      | 0%        | 0%        | 0%        | 0%        | 27,897                     | -        | -        | -        | -        |
| 52130 - SUBS /PUBLICATIONS / DUES       | 9,000          | 100%                      | 0%        | 0%        | 0%        | 0%        | 9,000                      | -        | -        | -        | -        |
| 52140 - TRAINING AND EDUCATION          | 7,100          | 100%                      | 0%        | 0%        | 0%        | 0%        | 7,100                      | -        | -        | -        | -        |
| 52150 - TRAVEL & MEETINGS               | 8,400          | 100%                      | 0%        | 0%        | 0%        | 0%        | 8,400                      | -        | -        | -        | -        |
| 52160 - MARKETING & PROMOTION           | 132,500        | 100%                      | 0%        | 0%        | 0%        | 0%        | 132,500                    | -        | -        | -        | -        |
| 52165 - CITY OUTREACH EVENTS            | 30,000         | 100%                      | 0%        | 0%        | 0%        | 0%        | 30,000                     | -        | -        | -        | -        |
| 52190 - DOT/PHYSICAL TEST               | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52201 - VEHICLE FUEL                    | 10,000         | 100%                      | 0%        | 0%        | 0%        | 0%        | 10,000                     | -        | -        | -        | -        |
| 52230 - VEHICLE EXPENSE                 | 5,000          | 100%                      | 0%        | 0%        | 0%        | 0%        | 5,000                      | -        | -        | -        | -        |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | 3,500          | 100%                      | 0%        | 0%        | 0%        | 0%        | 3,500                      | -        | -        | -        | -        |
| 52260 - COMPUTER EQUIPMENT <\$5000      | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52300 - CONTRACT SERVICES               | 228,000        | 100%                      | 0%        | 0%        | 0%        | 0%        | 228,000                    | -        | -        | -        | -        |
| 52340 - INSURANCE                       | 9,003          | 100%                      | 0%        | 0%        | 0%        | 0%        | 9,003                      | -        | -        | -        | -        |
| 52460 - DEPRECIATION EXPENSE            | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54060 - PRIOR YEAR ADJUSTMENT           | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| <b>SUBTOTAL: WATER EFFICIENCY</b>       | <b>960,693</b> | <b>100%</b>               | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>960,693</b>             | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                       | Revenue Req.     | Functional Allocation (%) |            |            |           |           | Functional Allocation (\$) |                |                  |          |          |
|-----------------------------------------|------------------|---------------------------|------------|------------|-----------|-----------|----------------------------|----------------|------------------|----------|----------|
|                                         | FY 2027          | Commodity                 | Capacity   | Customer   | Recycled  | Fire      | Commodity                  | Capacity       | Customer         | Recycled | Fire     |
| <b>4100530 - WATER-METER SVCS</b>       |                  |                           |            |            |           |           |                            |                |                  |          |          |
| 51100 - FULL TIME WAGES                 | 749,183          | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 74,918         | 674,265          | -        | -        |
| 51110 - OVERTIME WAGES                  | 31,200           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 3,120          | 28,080           | -        | -        |
| 51150 - STANDBY WAGES                   | 16,270           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 1,627          | 14,643           | -        | -        |
| 51160 - XREG                            | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| 51200 - FRINGE BENEFITS-FT              | 362,880          | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 36,288         | 326,592          | -        | -        |
| 51220 - RETIREE EXPENSE                 | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| 51230 - GASB68 PENSION EXPENSE          | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| 51300 - PAYROLL TAXES                   | 19,104           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 1,910          | 17,194           | -        | -        |
| 52020 - UTILITIES-WATER USAGE           | 112              | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 11             | 101              | -        | -        |
| 52060 - TELEPHONE                       | 25,000           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 2,500          | 22,500           | -        | -        |
| 52110 - SUPPLIES                        | 9,800            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 980            | 8,820            | -        | -        |
| 52140 - TRAINING AND EDUCATION          | 9,550            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 955            | 8,595            | -        | -        |
| 52150 - TRAVEL & MEETINGS               | 7,806            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 781            | 7,025            | -        | -        |
| 52201 - VEHICLE FUEL                    | 30,000           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 3,000          | 27,000           | -        | -        |
| 52220 - EQUIPMENT EXPENSE               | 750              | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 75             | 675              | -        | -        |
| 52230 - VEHICLE EXPENSE                 | 14,000           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 1,400          | 12,600           | -        | -        |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | 4,500            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 450            | 4,050            | -        | -        |
| 52260 - COMPUTER EQUIPMENT <\$5000      | 2,000            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 200            | 1,800            | -        | -        |
| 52300 - CONTRACT SERVICES               | 117,200          | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 11,720         | 105,480          | -        | -        |
| 52340 - INSURANCE                       | 9,003            | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 900            | 8,103            | -        | -        |
| 52440 - INFRASTRUCTURE REPAIRS          | 50,000           | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 5,000          | 45,000           | -        | -        |
| 52445 - METER SVC INSTALLATION          | 150,000          | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 15,000         | 135,000          | -        | -        |
| 52446 - METER SVC CHANGEOUTS            | 600,000          | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | 60,000         | 540,000          | -        | -        |
| 52460 - DEPRECIATION EXPENSE            | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| 54060 - PRIOR YEAR ADJUSTMENT           | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| Allocation to Reclaimed Water           | -                | 0%                        | 10%        | 90%        | 0%        | 0%        | -                          | -              | -                | -        | -        |
| <b>SUBTOTAL: WATER-METER SVS</b>        | <b>2,208,358</b> | <b>0%</b>                 | <b>10%</b> | <b>90%</b> | <b>0%</b> | <b>0%</b> | <b>-</b>                   | <b>220,836</b> | <b>1,987,522</b> | <b>-</b> | <b>-</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                           | Revenue Req.     | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |               |          |            |               |
|---------------------------------------------|------------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|---------------|----------|------------|---------------|
|                                             | FY 2027          | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity      | Customer | Recycled   | Fire          |
| <b>4100535 - WATER-FIELD SVCS</b>           |                  |                           |            |           |           |           |                            |               |          |            |               |
| 51100 - FULL TIME WAGES                     | 1,573,787        | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 1,546,833                  | -             | -        | 285        | 26,670        |
| 51110 - OVERTIME WAGES                      | 72,800           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 71,553                     | -             | -        | 13         | 1,234         |
| 51150 - STANDBY WAGES                       | 33,476           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 32,902                     | -             | -        | 6          | 567           |
| 51160 - XREG                                | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 51200 - FRINGE BENEFITS-FT                  | 771,733          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 758,516                    | -             | -        | 140        | 13,078        |
| 51220 - RETIREE EXPENSE                     | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 51230 - GASB68 PENSION EXPENSE              | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 51300 - PAYROLL TAXES                       | 44,326           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 43,567                     | -             | -        | 8          | 751           |
| 52003 - GASB96-CONTRA-EXP-OP                | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 52060 - TELEPHONE                           | 15,000           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 14,743                     | -             | -        | 3          | 254           |
| 52110 - SUPPLIES                            | 40,775           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 40,077                     | -             | -        | 7          | 691           |
| 52140 - TRAINING AND EDUCATION              | 22,500           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 22,115                     | -             | -        | 4          | 381           |
| 52150 - TRAVEL & MEETINGS                   | 6,750            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 6,634                      | -             | -        | 1          | 114           |
| 52190 - DOT/PHYSICAL TEST                   | 2,000            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 1,966                      | -             | -        | 0          | 34            |
| 52201 - VEHICLE FUEL                        | 125,000          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 122,859                    | -             | -        | 23         | 2,118         |
| 52220 - EQUIPMENT EXPENSE                   | 80,000           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 78,630                     | -             | -        | 14         | 1,356         |
| 52230 - VEHICLE EXPENSE                     | 25,000           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 24,572                     | -             | -        | 5          | 424           |
| 52240 - SMALL TOOLS & FURNITURE <\$5000     | 22,000           | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 21,623                     | -             | -        | 4          | 373           |
| 52260 - COMPUTER EQUIPMENT <\$5000          | 3,000            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 2,949                      | -             | -        | 1          | 51            |
| 52300 - CONTRACT SERVICES                   | 112,219          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 110,297                    | -             | -        | 20         | 1,902         |
| 52340 - INSURANCE                           | 9,003            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 8,849                      | -             | -        | 2          | 153           |
| 52420 - GROUNDS MAINTENANCE                 | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 52440 - INFRASTRUCTURE REPAIRS              | 570,000          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 560,238                    | -             | -        | 103        | 9,659         |
| 52460 - DEPRECIATION EXPENSE                | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 52465 - GASB87/96 AMORTIZATION              | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 54051 - INVENTORY-WRITE-OFFS                | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 54060 - PRIOR YEAR ADJUSTMENT               | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| 54160 - GASB 87/96 INTEREST EXPENSE         | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| Allocation to Reclaimed Water               | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -             | -        | -          | -             |
| <b>SUBTOTAL: WATER-FIELD SVS</b>            | <b>3,529,368</b> | <b>98%</b>                | <b>0%</b>  | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>3,468,921</b>           | <b>-</b>      | <b>-</b> | <b>638</b> | <b>59,809</b> |
| <b>4100540 - WATER - WID 2</b>              |                  |                           |            |           |           |           |                            |               |          |            |               |
| 52010 - UTILITIES-ELECTRICITY               | 10,380           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 10,204        | -        | -          | 176           |
| 52020 - UTILITIES-WATER USAGE               | 2,772            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,725         | -        | -          | 47            |
| 52030 - UTILITIES-NATURAL GAS               | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52040 - UTILITIES-SANITATION                | 6,700            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 6,586         | -        | -          | 114           |
| 52060 - TELEPHONE                           | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52110 - SUPPLIES                            | 500              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492           | -        | -          | 8             |
| 52112 - SUPPLIES - SANITARY                 | 500              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492           | -        | -          | 8             |
| 52140 - TRAINING AND EDUCATION              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52201 - VEHICLE FUEL                        | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52230 - VEHICLE EXPENSE                     | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52240 - SMALL TOOLS & FURNITURE <\$5000     | 40,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 39,322        | -        | -          | 678           |
| 52300 - CONTRACT SERVICES                   | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52410 - BUILDING MAINTENANCE                | 29,500           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 29,000        | -        | -          | 500           |
| 52415 - BUILDING - DEMOLITION               | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 74513 - DEMO OF OLD BALDY MESA OFFICE BLDNG | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 52440 - INFRASTRUCTURE REPAIRS              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| 74513 - DEMO OF OLD BALDY MESA OFFICE BLDNG | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -             | -        | -          | -             |
| <b>SUBTOTAL: WATER - WID 2</b>              | <b>90,352</b>    | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>88,821</b> | <b>-</b> | <b>-</b>   | <b>1,531</b>  |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                       | Revenue Reqt.  | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |                |           |          |              |
|-----------------------------------------|----------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|----------------|-----------|----------|--------------|
|                                         | FY 2027        | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity       | Customer  | Recycled | Fire         |
| <b>4100541 - WATER - WID 1</b>          |                |                           |            |           |           |           |                            |                |           |          |              |
| 51100 - FULL TIME WAGES                 | 144,775        | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 142,322        | -         | -        | 2,453        |
| 51110 - OVERTIME WAGES                  | -              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -         | -        | -            |
| 51160 - XREG                            | -              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -         | -        | -            |
| 51200 - FRINGE BENEFITS-FT              | 73,436         | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 72,191         | -         | -        | 1,244        |
| 51300 - PAYROLL TAXES                   | 3,692          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 3,629          | -         | -        | 63           |
| 52010 - UTILITIES-ELECTRICITY           | 26,000         | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 25,559         | -         | -        | 441          |
| 52020 - UTILITIES-WATER USAGE           | 5,000          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,915          | -         | -        | 85           |
| 52030 - UTILITIES-NATURAL GAS           | 2,475          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,433          | -         | -        | 42           |
| 52040 - UTILITIES-SANITATION            | 15,900         | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 15,631         | -         | -        | 269          |
| 52060 - TELEPHONE                       | -              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -         | -        | -            |
| 52110 - SUPPLIES                        | 17,150         | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 16,859         | -         | -        | 291          |
| 52112 - SUPPLIES - SANITARY             | 500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492            | -         | -        | 8            |
| 52140 - TRAINING AND EDUCATION          | 2,198          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,161          | -         | -        | 37           |
| 52150 - TRAVEL & MEETINGS               | 3,400          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 3,342          | -         | -        | 58           |
| 52201 - VEHICLE FUEL                    | 200            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 197            | -         | -        | 3            |
| 52230 - VEHICLE EXPENSE                 | 500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492            | -         | -        | 8            |
| 52300 - CONTRACT SERVICES               | 8,760          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 8,612          | -         | -        | 148          |
| 52410 - BUILDING MAINTENANCE            | 5,540          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 5,446          | -         | -        | 94           |
| 52420 - GROUNDS MAINTENANCE             | -              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -         | -        | -            |
| Allocation to Reclaimed Water           | -              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -              | -         | -        | -            |
| <b>SUBTOTAL: WATER - WID 1</b>          | <b>309,525</b> | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>304,280</b> | <b>-</b>  | <b>-</b> | <b>5,245</b> |
| <b>4100543 - WATER LINE LOCATING</b>    |                |                           |            |           |           |           |                            |                |           |          |              |
| 51100 - FULL TIME WAGES                 | 145,464        | 100%                      | 0%         | 0%        | 0%        | 0%        | 145,464                    | -              | -         | -        | -            |
| 51200 - FRINGE BENEFITS-FT              | 47,704         | 100%                      | 0%         | 0%        | 0%        | 0%        | 47,704                     | -              | -         | -        | -            |
| 51300 - PAYROLL TAXES                   | 1,319          | 100%                      | 0%         | 0%        | 0%        | 0%        | 1,319                      | -              | -         | -        | -            |
| 52060 - TELEPHONE                       | 1,150          | 100%                      | 0%         | 0%        | 0%        | 0%        | 1,150                      | -              | -         | -        | -            |
| 52110 - SUPPLIES                        | 4,318          | 100%                      | 0%         | 0%        | 0%        | 0%        | 4,318                      | -              | -         | -        | -            |
| <b>SUBTOTAL: WATER LINE LOCATING</b>    | <b>199,954</b> | <b>100%</b>               | <b>0%</b>  | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>199,954</b>             | <b>-</b>       | <b>-</b>  | <b>-</b> | <b>-</b>     |
| <b>4100545 - WATER-CUSTOMER SVCS</b>    |                |                           |            |           |           |           |                            |                |           |          |              |
| 51100 - FULL TIME WAGES                 | 1,521,861      | 30%                       | 0%         | 70%       | 0%        | 0%        | 456,558                    | -              | 1,065,303 | -        | -            |
| 51110 - OVERTIME WAGES                  | 7,410          | 30%                       | 0%         | 70%       | 0%        | 0%        | 2,223                      | -              | 5,187     | -        | -            |
| 51120 - PART TIME WAGES                 | 113,175        | 30%                       | 0%         | 70%       | 0%        | 0%        | 33,952                     | -              | 79,222    | -        | -            |
| 51160 - XREG                            | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |
| 51200 - FRINGE BENEFITS-FT              | 696,855        | 30%                       | 0%         | 70%       | 0%        | 0%        | 209,057                    | -              | 487,799   | -        | -            |
| 51201 - FRINGE BENEFITS-PT              | 1,460          | 30%                       | 0%         | 70%       | 0%        | 0%        | 438                        | -              | 1,022     | -        | -            |
| 51220 - RETIREE EXPENSE                 | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |
| 51230 - GASB68 PENSION EXPENSE          | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |
| 51300 - PAYROLL TAXES                   | 38,807         | 30%                       | 0%         | 70%       | 0%        | 0%        | 11,642                     | -              | 27,165    | -        | -            |
| 51301 - PAYROLL TAXES - PT              | 1,641          | 30%                       | 0%         | 70%       | 0%        | 0%        | 492                        | -              | 1,149     | -        | -            |
| 52010 - UTILITIES-ELECTRICITY           | 11,625         | 30%                       | 0%         | 70%       | 0%        | 0%        | 3,488                      | -              | 8,138     | -        | -            |
| 52020 - UTILITIES-WATER USAGE           | 3,875          | 30%                       | 0%         | 70%       | 0%        | 0%        | 1,163                      | -              | 2,713     | -        | -            |
| 52030 - UTILITIES-NATURAL GAS           | 750            | 30%                       | 0%         | 70%       | 0%        | 0%        | 225                        | -              | 525       | -        | -            |
| 52060 - TELEPHONE                       | 63             | 30%                       | 0%         | 70%       | 0%        | 0%        | 19                         | -              | 44        | -        | -            |
| 52110 - SUPPLIES                        | 200,400        | 30%                       | 0%         | 70%       | 0%        | 0%        | 60,120                     | -              | 140,280   | -        | -            |
| 52140 - TRAINING AND EDUCATION          | 1,125          | 30%                       | 0%         | 70%       | 0%        | 0%        | 338                        | -              | 788       | -        | -            |
| 52150 - TRAVEL & MEETINGS               | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |
| 52170 - ADVERTISING/LEGAL NOTICES       | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |
| 52180 - RECRUITMENT EXPENDITURES        | 2,250          | 30%                       | 0%         | 70%       | 0%        | 0%        | 675                        | -              | 1,575     | -        | -            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | 3,075          | 30%                       | 0%         | 70%       | 0%        | 0%        | 923                        | -              | 2,153     | -        | -            |
| 52260 - COMPUTER EQUIPMENT <\$5000      | -              | 30%                       | 0%         | 70%       | 0%        | 0%        | -                          | -              | -         | -        | -            |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                      | Revenue Req.     | Functional Allocation (%) |            |            |           |           | Functional Allocation (\$) |                |                  |          |              |
|----------------------------------------|------------------|---------------------------|------------|------------|-----------|-----------|----------------------------|----------------|------------------|----------|--------------|
|                                        | FY 2027          | Commodity                 | Capacity   | Customer   | Recycled  | Fire      | Commodity                  | Capacity       | Customer         | Recycled | Fire         |
| 52300 - CONTRACT SERVICES              | 246,825          | 30%                       | 0%         | 70%        | 0%        | 0%        | 74,048                     | -              | 172,778          | -        | -            |
| 52350 - LEGAL                          | 750              | 30%                       | 0%         | 70%        | 0%        | 0%        | 225                        | -              | 525              | -        | -            |
| 52360 - FEDERAL/STATE /LOCAL FEES      | 19,500           | 30%                       | 0%         | 70%        | 0%        | 0%        | 5,850                      | -              | 13,650           | -        | -            |
| 52365 - BANK/CC PROCESSING FEES        | 257,200          | 30%                       | 0%         | 70%        | 0%        | 0%        | 77,160                     | -              | 180,040          | -        | -            |
| 52410 - BUILDING MAINTENANCE           | -                | 30%                       | 0%         | 70%        | 0%        | 0%        | -                          | -              | -                | -        | -            |
| 54050 - UNCOLLECTABLE WRITE-OFFS       | 100,000          | 30%                       | 0%         | 70%        | 0%        | 0%        | 30,000                     | -              | 70,000           | -        | -            |
| 54060 - PRIOR YEAR ADJUSTMENT          | -                | 30%                       | 0%         | 70%        | 0%        | 0%        | -                          | -              | -                | -        | -            |
| <b>SUBTOTAL: WATER-CUSTOMER SVCS</b>   | <b>3,228,648</b> | <b>30%</b>                | <b>0%</b>  | <b>70%</b> | <b>0%</b> | <b>0%</b> | <b>968,594</b>             | <b>-</b>       | <b>2,260,053</b> | <b>-</b> | <b>-</b>     |
| <b>4101510 - WATER-INFO TECHNOLOGY</b> |                  |                           |            |            |           |           |                            |                |                  |          |              |
| 52260 - COMPUTER EQUIPMENT <\$5000     | 30,000           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 29,492         | -                | -        | 508          |
| 52300 - CONTRACT SERVICES              | 36,585           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 35,965         | -                | -        | 620          |
| <b>SUBTOTAL: WATER-INFO TECHNOLOGY</b> | <b>66,585</b>    | <b>0%</b>                 | <b>98%</b> | <b>0%</b>  | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>65,457</b>  | <b>-</b>         | <b>-</b> | <b>1,128</b> |
| <b>4101515 - WATER-IT GIS</b>          |                  |                           |            |            |           |           |                            |                |                  |          |              |
| 51100 - FULL TIME WAGES                | 100,648          | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 98,943         | -                | -        | 1,706        |
| 51110 - OVERTIME WAGES                 | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 51160 - XREG                           | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 51200 - FRINGE BENEFITS-FT             | 47,522           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 46,716         | -                | -        | 805          |
| 51300 - PAYROLL TAXES                  | 2,567            | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 2,523          | -                | -        | 43           |
| 52003 - GASB96-CONTRA-EXP-OP           | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 52060 - TELEPHONE                      | 2,500            | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 2,458          | -                | -        | 42           |
| 52110 - SUPPLIES                       | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 52140 - TRAINING AND EDUCATION         | 10,250           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 10,076         | -                | -        | 174          |
| 52150 - TRAVEL & MEETINGS              | 6,050            | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 5,947          | -                | -        | 103          |
| 52180 - RECRUITMENT EXPENDITURES       | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 52201 - VEHICLE FUEL                   | 3,000            | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 2,949          | -                | -        | 51           |
| 52230 - VEHICLE EXPENSE                | 2,000            | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 1,966          | -                | -        | 34           |
| 52260 - COMPUTER EQUIPMENT <\$5000     | 13,246           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 13,022         | -                | -        | 224          |
| 52300 - CONTRACT SERVICES              | 61,679           | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | 60,634         | -                | -        | 1,045        |
| 52460 - DEPRECIATION EXPENSE           | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 52465 - GASB87/96 AMORTIZATION         | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| 54160 - GASB 87/96 INTEREST EXPENSE    | -                | 0%                        | 98%        | 0%         | 0%        | 1.69%     | -                          | -              | -                | -        | -            |
| <b>SUBTOTAL: WATER-IT GIS</b>          | <b>249,462</b>   | <b>0%</b>                 | <b>98%</b> | <b>0%</b>  | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>245,234</b> | <b>-</b>         | <b>-</b> | <b>4,227</b> |



**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                         | Revenue Req.     | Functional Allocation (%) |            |           |           |           | Functional Allocation (\$) |                  |          |            |               |
|-------------------------------------------|------------------|---------------------------|------------|-----------|-----------|-----------|----------------------------|------------------|----------|------------|---------------|
|                                           | FY 2027          | Commodity                 | Capacity   | Customer  | Recycled  | Fire      | Commodity                  | Capacity         | Customer | Recycled   | Fire          |
| <b>4104000 - WATER - CODE ENFORCEMENT</b> |                  |                           |            |           |           |           |                            |                  |          |            |               |
| 51001 - CONTRA-EXP-WAGES                  | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -                | -        | -          | -             |
| 51100 - FULL TIME WAGES                   | 380,804          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 374,282                    | -                | -        | 69         | 6,453         |
| 51110 - OVERTIME WAGES                    | 2,600            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 2,555                      | -                | -        | 0          | 44            |
| 51160 - XREG                              | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -                | -        | -          | -             |
| 51200 - FRINGE BENEFITS-FT                | 179,392          | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 176,319                    | -                | -        | 32         | 3,040         |
| 51220 - RETIREE EXPENSE                   | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -                | -        | -          | -             |
| 51230 - GASB68 PENSION EXPENSE            | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -                | -        | -          | -             |
| 51300 - PAYROLL TAXES                     | 9,710            | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | 9,544                      | -                | -        | 2          | 165           |
| 54060 - PRIOR YEAR ADJUSTMENT             | -                | 98%                       | 0%         | 0%        | 0.02%     | 1.69%     | -                          | -                | -        | -          | -             |
| <b>SUBTOTAL: WATER - CODE ENFORCEMENT</b> | <b>572,506</b>   | <b>98%</b>                | <b>0%</b>  | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>562,700</b>             | <b>-</b>         | <b>-</b> | <b>104</b> | <b>9,702</b>  |
| <b>4104500 - WATER-ENGINEERING SVCS</b>   |                  |                           |            |           |           |           |                            |                  |          |            |               |
| 51100 - FULL TIME WAGES                   | 1,347,848        | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 1,325,007        | -        | -          | 22,841        |
| 51110 - OVERTIME WAGES                    | 5,200            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 5,112            | -        | -          | 88            |
| 51120 - PART TIME WAGES                   | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 51160 - XREG                              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 51200 - FRINGE BENEFITS-FT                | 569,753          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 560,098          | -        | -          | 9,655         |
| 51220 - RETIREE EXPENSE                   | 36,799           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 36,175           | -        | -          | 624           |
| 51230 - GASB68 PENSION EXPENSE            | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 51300 - PAYROLL TAXES                     | 34,370           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 33,788           | -        | -          | 582           |
| 52010 - UTILITIES-ELECTRICITY             | 12,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 11,797           | -        | -          | 203           |
| 52020 - UTILITIES-WATER USAGE             | 750              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 737              | -        | -          | 13            |
| 52030 - UTILITIES-NATURAL GAS             | 800              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 786              | -        | -          | 14            |
| 52060 - TELEPHONE                         | 4,500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,424            | -        | -          | 76            |
| 52110 - SUPPLIES                          | 11,500           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 11,305           | -        | -          | 195           |
| 52130 - SUBS /PUBLICATIONS / DUES         | 500              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492              | -        | -          | 8             |
| 52140 - TRAINING AND EDUCATION            | 5,050            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 4,964            | -        | -          | 86            |
| 52150 - TRAVEL & MEETINGS                 | 3,650            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 3,588            | -        | -          | 62            |
| 52165 - CITY OUTREACH EVENTS              | 2,500            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 2,458            | -        | -          | 42            |
| 52170 - ADVERTISING/LEGAL NOTICES         | 1,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 983              | -        | -          | 17            |
| 52180 - RECRUITMENT EXPENDITURES          | 500              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 492              | -        | -          | 8             |
| 52201 - VEHICLE FUEL                      | 8,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 7,864            | -        | -          | 136           |
| 52230 - VEHICLE EXPENSE                   | 4,000            | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 3,932            | -        | -          | 68            |
| 52240 - SMALL TOOLS & FURNITURE <\$5000   | 800              | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 786              | -        | -          | 14            |
| 52260 - COMPUTER EQUIPMENT <\$5000        | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 52300 - CONTRACT SERVICES                 | 190,000          | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 186,780          | -        | -          | 3,220         |
| 52350 - LEGAL                             | 30,000           | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | 29,492           | -        | -          | 508           |
| 52410 - BUILDING MAINTENANCE              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 52440 - INFRASTRUCTURE REPAIRS            | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 52460 - DEPRECIATION EXPENSE              | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 54010 - TRANSFERS OUT                     | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 54055 - GAIN/LOSS DISPOSAL OF ASSETS      | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| 54060 - PRIOR YEAR ADJUSTMENT             | -                | 0%                        | 98%        | 0%        | 0%        | 1.69%     | -                          | -                | -        | -          | -             |
| <b>SUBTOTAL: WATER-ENGINEERING SVCS</b>   | <b>2,269,520</b> | <b>0%</b>                 | <b>98%</b> | <b>0%</b> | <b>0%</b> | <b>2%</b> | <b>-</b>                   | <b>2,231,060</b> | <b>-</b> | <b>-</b>   | <b>38,459</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                           | Revenue Req.   | Functional Allocation (%) |           |           |           |           | Functional Allocation (\$) |          |          |          |          |
|---------------------------------------------|----------------|---------------------------|-----------|-----------|-----------|-----------|----------------------------|----------|----------|----------|----------|
|                                             | FY 2027        | Commodity                 | Capacity  | Customer  | Recycled  | Fire      | Commodity                  | Capacity | Customer | Recycled | Fire     |
| <b>4105001 - WATER ASPHALT</b>              |                |                           |           |           |           |           |                            |          |          |          |          |
| 51100 - FULL TIME WAGES                     | 145,637        | 100%                      | 0%        | 0%        | 0%        | 0%        | 145,637                    | -        | -        | -        | -        |
| 51110 - OVERTIME WAGES                      | 520            | 100%                      | 0%        | 0%        | 0%        | 0%        | 520                        | -        | -        | -        | -        |
| 51160 - XREG                                | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 51200 - FRINGE BENEFITS-FT                  | 65,518         | 100%                      | 0%        | 0%        | 0%        | 0%        | 65,518                     | -        | -        | -        | -        |
| 51300 - PAYROLL TAXES                       | 3,714          | 100%                      | 0%        | 0%        | 0%        | 0%        | 3,714                      | -        | -        | -        | -        |
| 52110 - SUPPLIES                            | 1,500          | 100%                      | 0%        | 0%        | 0%        | 0%        | 1,500                      | -        | -        | -        | -        |
| 52201 - VEHICLE FUEL                        | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52202 - EQUIPMENT FUEL                      | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 52240 - SMALL TOOLS & FURNITURE <\$5000     | 100            | 100%                      | 0%        | 0%        | 0%        | 0%        | 100                        | -        | -        | -        | -        |
| 52440 - INFRASTRUCTURE REPAIRS              | 22,000         | 100%                      | 0%        | 0%        | 0%        | 0%        | 22,000                     | -        | -        | -        | -        |
| 54010 - TRANSFERS OUT                       | -              | 100%                      | 0%        | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| <b>SUBTOTAL: WATER ASPHALT</b>              | <b>238,988</b> | <b>100%</b>               | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>238,988</b>             | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>4110020 - WID #2 - NON-OPERATING</b>     |                |                           |           |           |           |           |                            |          |          |          |          |
| 52455 - UTILITY ASSISTANCE                  | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54050 - UNCOLLECTABLE WRITE-OFFS            | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54120 - DEBT SERVICE INTEREST               | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| <b>SUBTOTAL: WID #2 - NON-OPERATING</b>     | <b>-</b>       | <b>0%</b>                 | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>-</b>                   | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>4110201 - WID #2 - 98 BALDY MESA COP</b> |                |                           |           |           |           |           |                            |          |          |          |          |
| 54120 - DEBT SERVICE INTEREST               | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54130 - BOND ISSUANCE FEE                   | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54140 - TRUSTEE SERVICE FEE                 | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| <b>SUBTOTAL: WID #2 - 98 BALDY MESA COP</b> | <b>-</b>       | <b>0%</b>                 | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>-</b>                   | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>4110202 - WID #2 - 06 BALDY MESA COP</b> |                |                           |           |           |           |           |                            |          |          |          |          |
| 52360 - FEDERAL/STATE /LOCAL FEES           | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54130 - BOND ISSUANCE FEE                   | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| 54140 - TRUSTEE SERVICE FEE                 | -              | 0%                        | 100%      | 0%        | 0%        | 0%        | -                          | -        | -        | -        | -        |
| <b>SUBTOTAL: WID #2 - 06 BALDY MESA COP</b> | <b>-</b>       | <b>0%</b>                 | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>0%</b> | <b>-</b>                   | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                       | Revenue Req.      | Functional Allocation (%) |            |            |             |           | Functional Allocation (\$) |                   |                  |                |                |
|-----------------------------------------|-------------------|---------------------------|------------|------------|-------------|-----------|----------------------------|-------------------|------------------|----------------|----------------|
|                                         | FY 2027           | Commodity                 | Capacity   | Customer   | Recycled    | Fire      | Commodity                  | Capacity          | Customer         | Recycled       | Fire           |
| <b>4130520 - RECLAIMED WATER</b>        |                   |                           |            |            |             |           |                            |                   |                  |                |                |
| 51100 - FULL TIME WAGES                 | 172,506           | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 172,506        | -              |
| 51110 - OVERTIME WAGES                  | 1,560             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 1,560          | -              |
| 51160 - XREG                            | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 51200 - FRINGE BENEFITS-FT              | 72,231            | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 72,231         | -              |
| 51230 - GASB68 PENSION EXPENSE          | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 51300 - PAYROLL TAXES                   | 4,399             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 4,399          | -              |
| 52050 - UTILITIES-PRODUCTION POWER      | 8,160             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 8,160          | -              |
| 52060 - TELEPHONE                       | 3,300             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 3,300          | -              |
| 52110 - SUPPLIES                        | 7,500             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 7,500          | -              |
| 52140 - TRAINING AND EDUCATION          | 8,349             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 8,349          | -              |
| 52150 - TRAVEL & MEETINGS               | 4,200             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 4,200          | -              |
| 52190 - DOT/PHYSICAL TEST               | 200               | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 200            | -              |
| 52201 - VEHICLE FUEL                    | 7,500             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 7,500          | -              |
| 52230 - VEHICLE EXPENSE                 | 3,000             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 3,000          | -              |
| 52240 - SMALL TOOLS & FURNITURE <\$5000 | 3,000             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 3,000          | -              |
| 52300 - CONTRACT SERVICES               | 221,200           | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 221,200        | -              |
| 52360 - FEDERAL/STATE/LOCAL FEES        | 75                | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 75             | -              |
| 52420 - GROUNDS MAINTENANCE             | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 52440 - INFRASTRUCTURE REPAIRS          | 38,000            | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 38,000         | -              |
| 52460 - DEPRECIATION EXPENSE            | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 53030 - PURCHASED WATER                 | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 54010 - TRANSFERS OUT                   | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| 54020 - COST ALLOCATIONS PAID           | 77,064            | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 77,064         | -              |
| 54060 - PRIOR YEAR ADJUSTMENT           | -                 | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | -              | -              |
| <b>SUBTOTAL: RECLAIMED WATER</b>        | <b>632,243</b>    | <b>0%</b>                 | <b>0%</b>  | <b>0%</b>  | <b>100%</b> | <b>0%</b> | -                          | -                 | -                | <b>632,243</b> | -              |
| <b>4131510 - REC - INFO TECHNOLOGY</b>  |                   |                           |            |            |             |           |                            |                   |                  |                |                |
| 52300 - CONTRACT SERVICES               | 3,192             | 0%                        | 0%         | 0%         | 100%        | 0%        | -                          | -                 | -                | 3,192          | -              |
| <b>SUBTOTAL: REC - INFO TECHNOLOGY</b>  | <b>3,192</b>      | <b>0%</b>                 | <b>0%</b>  | <b>0%</b>  | <b>100%</b> | <b>0%</b> | -                          | -                 | -                | <b>3,192</b>   | -              |
| <b>Total Operating Expenses:</b>        | <b>40,328,670</b> | <b>59%</b>                | <b>29%</b> | <b>11%</b> | <b>2%</b>   | <b>1%</b> | <b>23,686,411</b>          | <b>11,494,656</b> | <b>4,247,576</b> | <b>636,177</b> | <b>263,851</b> |

**Table 8**  
**Victorville Water District**  
**Functional Allocation**

| Operating Expense                                | Revenue Req.<br>FY 2027  | Commodity | Functional Allocation (%)         |          |          | Fire  | Commodity         | Functional Allocation (\$) |                  |                | Fire           |
|--------------------------------------------------|--------------------------|-----------|-----------------------------------|----------|----------|-------|-------------------|----------------------------|------------------|----------------|----------------|
|                                                  |                          |           | Capacity                          | Customer | Recycled |       |                   | Capacity                   | Customer         | Recycled       |                |
| Summary of Functional Allocation by Organization | Revenue Req.<br>FYE 2027 | Commodity | Average Functional Allocation (%) |          |          | Fire  | Commodity         | Functional Allocation (\$) |                  |                | Fire           |
|                                                  |                          |           | Capacity                          | Customer | Recycled |       |                   | Capacity                   | Customer         | Recycled       |                |
| 4100030 - WATER-ADMINISTRATION                   | 7,318,907                | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | \$0               | \$7,194,880                | \$0              | \$0            | \$124,027      |
| 4100030E - WATER ADMINISTRATION EDD              | 111,775                  | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 109,881                    | -                | -              | 1,894          |
| 4100500 - WATER-SUPPLY                           | 17,286,560               | 100.0%    | 0.0%                              | 0.0%     | 0.000%   | 0.00% | 17,286,560        | -                          | -                | -              | -              |
| 4100505 - WATER- SCADA                           | 1,158,330                | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 1,138,701                  | -                | -              | 19,629         |
| 4100510 - WATER-HD POWER PLANT                   | (106,296)                | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | (104,494)                  | -                | -              | (1,801)        |
| 4100525 - WATER EFFICIENCY                       | 960,693                  | 100.0%    | 0.0%                              | 0.0%     | 0.000%   | 0.00% | 960,693           | -                          | -                | -              | -              |
| 4100530 - WATER-METER SVCS                       | 2,208,358                | 0.0%      | 10.0%                             | 90.0%    | 0.000%   | 0.00% | -                 | 220,836                    | 1,987,522        | -              | -              |
| 4100535 - WATER-FIELD SVCS                       | 3,529,368                | 98.3%     | 0.0%                              | 0.0%     | 0.018%   | 1.69% | 3,468,921         | -                          | -                | 638            | 59,809         |
| 4100540 - WATER - WID 2                          | 90,352                   | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 88,821                     | -                | -              | 1,531          |
| 4100541 - WATER - WID 1                          | 309,525                  | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 304,280                    | -                | -              | 5,245          |
| 4100543 - WATER LINE LOCATING                    | 199,954                  | 100.0%    | 0.0%                              | 0.0%     | 0.000%   | 0.00% | 199,954           | -                          | -                | -              | -              |
| 4100545 - WATER-CUSTOMER SVCS                    | 3,228,648                | 30.0%     | 0.0%                              | 70.0%    | 0.000%   | 0.00% | 968,594           | -                          | 2,260,053        | -              | -              |
| 4101510 - WATER-INFO TECHNOLOGY                  | 66,585                   | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 65,457                     | -                | -              | 1,128          |
| 4101515 - WATER-IT GIS                           | 249,462                  | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 245,234                    | -                | -              | 4,227          |
| 4104000 - WATER - CODE ENFORCEMENT               | 572,506                  | 98.3%     | 0.0%                              | 0.0%     | 0.018%   | 1.69% | 562,700           | -                          | -                | 104            | 9,702          |
| 4104500 - WATER-ENGINEERING SVCS                 | 2,269,520                | 0.0%      | 98.3%                             | 0.0%     | 0.000%   | 1.69% | -                 | 2,231,060                  | -                | -              | 38,459         |
| 4105001 - WATER ASPHALT                          | 238,988                  | 100.0%    | 0.0%                              | 0.0%     | 0.000%   | 0.00% | 238,988           | -                          | -                | -              | -              |
| 4110020 - WID #2 - NON-OPERATING                 | -                        | 0.0%      | 0.0%                              | 0.0%     | 0.000%   | 0.00% | -                 | -                          | -                | -              | -              |
| 4110201 - WID #2 - 98 BALDY MESA COP             | -                        | 0.0%      | 0.0%                              | 0.0%     | 0.000%   | 0.00% | -                 | -                          | -                | -              | -              |
| 4110202 - WID #2 - 06 BALDY MESA COP             | -                        | 0.0%      | 0.0%                              | 0.0%     | 0.000%   | 0.00% | -                 | -                          | -                | -              | -              |
| 4130520 - RECLAIMED WATER                        | 632,243                  | 0.0%      | 0.0%                              | 0.0%     | 100.0%   | 0.00% | -                 | -                          | -                | 632,243        | -              |
| 4131510 - REC - INFO TECHNOLOGY                  | 3,192                    | 0.0%      | 0.0%                              | 0.0%     | 100.0%   | 0.00% | -                 | -                          | -                | 3,192          | -              |
| <b>Total Operating Expenses:</b>                 | <b>40,328,670</b>        |           |                                   |          |          |       | <b>23,686,411</b> | <b>11,494,656</b>          | <b>4,247,576</b> | <b>636,177</b> | <b>263,851</b> |
| <i>Allocation of Revenue Requirements</i>        |                          |           |                                   |          |          |       | 59%               | 28.5%                      | 10.5%            | 2%             | 0.65%          |

**Victorville Water District  
Proposed Rate Derivation**

**Table 9  
Summary of Revenue Requirements, Fiscal Year 2026/27:**

| Cost Allocation Category | FY 2026/27          | Units     | Unit Cost | Units of Measure          |
|--------------------------|---------------------|-----------|-----------|---------------------------|
|                          | Revenue Req.        |           |           |                           |
| Commodity                | \$20,313,669        | 8,893,551 | \$2.28    | HCF of Domestic water use |
| Capacity                 | 9,857,915           | 49,080    | \$16.74   | Equivalent Meters/month   |
| Customer                 | 3,642,758           | 38,711    | \$7.84    | Customers/month           |
| Recycled                 | 545,591             | 293,193   | \$1.86    | HCF of Recycled water use |
| Fire                     | 226,281             | 48,362    | \$0.39    | Equivalent Meters/month   |
| <b>Total</b>             | <b>\$34,586,214</b> |           |           |                           |

**Table 10  
Water Consumption Estimate**

| Customer Class                    | FY 2024/25       | FY 2025/26       | FY 2026/27             | % of Total     |
|-----------------------------------|------------------|------------------|------------------------|----------------|
|                                   | Actual           | Estimated        | Estimated <sup>1</sup> |                |
| Single Family Residential         | 5,257,702        | 5,310,279        | 5,363,382              | 57.63%         |
| Standard Domestic Water (Non SFR) | 3,455,310        | 3,489,863        | 3,524,762              | 37.88%         |
| Construction Flow Meter/Intertie  | 116,951          | 118,121          | 119,302                | 1.28%          |
| Fire                              | 3,324            | 3,357            | -                      | 0.00%          |
| Well (Untreated) Water            | 5,301            | 5,354            | 5,408                  | 0.06%          |
| Reclaimed/Recycled Water          | 287,416          | 290,290          | 293,193                | 3.15%          |
| <b>Total</b>                      | <b>9,126,004</b> | <b>9,217,264</b> | <b>9,306,046</b>       | <b>100.00%</b> |

1. Any differences in water consumption by customer class compared to percentage of total are due to rounding.

Victorville Water District  
Proposed Rate Derivation

Table 11  
Meter Count by Customer Class<sup>1</sup>

| Meter Size        | Single Family Residential | All Other Standard Domestic | Well        | Recycled    | Fire        | Total Meters  |
|-------------------|---------------------------|-----------------------------|-------------|-------------|-------------|---------------|
| 3/4"              | 34,045                    | 942                         | -           | -           | -           | 34,987        |
| 1"                | 1,288                     | 592                         | -           | -           | 21          | 1,901         |
| 1.5"              | 2                         | 497                         | -           | 2           | -           | 501           |
| 2"                | 1                         | 520                         | 1           | 1           | 8           | 531           |
| 3"                | -                         | 65                          | -           | 2           | 1           | 68            |
| 4"                | -                         | 45                          | -           | -           | 89          | 134           |
| 6"                | -                         | 22                          | -           | -           | 158         | 180           |
| 8"                | -                         | 25                          | 2           | -           | 330         | 357           |
| 10"               | -                         | 1                           | -           | -           | 45          | 46            |
| 12"               | -                         | -                           | -           | 2           | 4           | 6             |
| <b>Total</b>      | <b>35,336</b>             | <b>2,709</b>                | <b>3</b>    | <b>7</b>    | <b>656</b>  | <b>38,711</b> |
| <b>% of Total</b> | <b>91.3%</b>              | <b>7.0%</b>                 | <b>0.0%</b> | <b>0.0%</b> | <b>1.7%</b> | <b>100.0%</b> |

<sup>1</sup> Meter data is based on file name: NEW Water Meter and Service Data for Rate Adj

Victorville Water District  
Proposed Rate Derivation

Table 12  
Meter Capacity Factors

| Meter Size <sup>1</sup>                 | <u>Standard Meters</u> |                         | <u>Fire Service Meters</u> |                         |
|-----------------------------------------|------------------------|-------------------------|----------------------------|-------------------------|
|                                         | Meter Capacity         | Equivalency to 3/4-inch | Meter Capacity             | Equivalency to 3/4-inch |
| <u>Displacement &amp; Ultrasonic II</u> |                        |                         |                            |                         |
| 3/4 inch                                | 30                     | 1.00                    | 30                         | 1.00                    |
| 1 inch                                  | 50                     | 1.67                    | 50                         | 1.67                    |
| 1.5 inch                                | 100                    | 3.33                    | 100                        | 3.33                    |
| 2 inch                                  | 160                    | 5.33                    | 160                        | 5.33                    |
| <u>Displacement &amp; Ultrasonic II</u> |                        |                         |                            |                         |
| 3 inch                                  | 500                    | 16.67                   | 500                        | 16.67                   |
| 4 inch                                  | 880                    | 29.33                   | 880                        | 29.33                   |
| 6 inch                                  | 1,400                  | 46.67                   | 1,400                      | 46.67                   |
| 8 inch                                  | 2,800                  | 93.33                   | 2,800                      | 93.33                   |
| 10 inch                                 | 4,500                  | 150.00                  | 4,500                      | 150.00                  |
| 12 inch                                 | 5,500                  | 183.33                  | 5,500                      | 183.33                  |

<sup>1</sup> Per 2026 AWWA M-1 Table C-2 (page 340).

Victorville Water District  
Proposed Rate Derivation

**Table 13**  
**Calculation of Monthly Fixed Meter Service Charges**

| Meter Size                       | Number of Meters | 3/4" Meter Equivalent | Total Equivalent Meters | Customer Costs (\$/Meter/month) | Capacity Costs (\$/Meter/month) | Total Fixed Meter Charge (\$/Meter/month) | Estimated Revenue from Fixed Charges <sup>1</sup> |
|----------------------------------|------------------|-----------------------|-------------------------|---------------------------------|---------------------------------|-------------------------------------------|---------------------------------------------------|
| <i>Formula for Calculation</i>   | <i>A</i>         | <i>B</i>              | <i>A x B</i>            | <i>C = \$7.84</i>               | <i>D = \$16.74 x B</i>          | <i>E = C + D</i>                          | <i>A x E x 12</i>                                 |
| <b>Standard Meters</b>           |                  |                       |                         |                                 |                                 |                                           |                                                   |
| 3/4 inch                         | 34,987           | 1.00                  | 34,987                  | \$7.84                          | \$16.74                         | \$24.58                                   | \$10,319,766                                      |
| 1 inch                           | 1,880            | 1.67                  | 3,133                   | \$7.84                          | \$27.90                         | \$35.74                                   | 806,294                                           |
| 1.5 inch                         | 501              | 3.33                  | 1,670                   | \$7.84                          | \$55.80                         | \$63.64                                   | 382,604                                           |
| 2 inch                           | 523              | 5.33                  | 2,789                   | \$7.84                          | \$89.28                         | \$97.12                                   | 609,525                                           |
| 3 inch                           | 67               | 16.67                 | 1,117                   | \$7.84                          | \$279.00                        | \$286.84                                  | 230,619                                           |
| 4 inch                           | 45               | 29.33                 | 1,320                   | \$7.84                          | \$491.04                        | \$498.88                                  | 269,395                                           |
| 6 inch                           | 22               | 46.67                 | 1,027                   | \$7.84                          | \$781.20                        | \$789.04                                  | 208,307                                           |
| 8 inch                           | 27               | 93.33                 | 2,520                   | \$7.84                          | \$1,562.40                      | \$1,570.24                                | 508,758                                           |
| 10 inch                          | 1                | 150.00                | 150                     | \$7.84                          | \$2,511.00                      | \$2,518.84                                | 30,226                                            |
| 12 inch                          | 2                | 183.33                | 367                     | \$7.84                          | \$3,069.00                      | \$3,076.84                                | 73,844                                            |
| <b>Subtotal: Standard Meters</b> | <b>38,055</b>    |                       | <b>49,080</b>           |                                 |                                 |                                           | <b>\$13,439,338</b>                               |
| <b>Fire Meters</b>               |                  |                       |                         |                                 |                                 |                                           |                                                   |
| 1 inch                           | 21               | 1.67                  | 35                      | \$7.84                          | \$0.65                          | \$8.49                                    | \$2,139                                           |
| 1.5 inch                         | -                | 3.33                  | -                       | \$7.84                          | \$1.30                          | \$9.14                                    | 0                                                 |
| 2 inch                           | 8                | 5.33                  | 43                      | \$7.84                          | \$2.08                          | \$9.92                                    | 952                                               |
| 3 inch                           | 1                | 16.67                 | 17                      | \$7.84                          | \$6.50                          | \$14.34                                   | 172                                               |
| 4 inch                           | 89               | 29.33                 | 2,611                   | \$7.84                          | \$11.44                         | \$19.28                                   | 20,591                                            |
| 6 inch                           | 158              | 46.67                 | 7,373                   | \$7.84                          | \$18.20                         | \$26.04                                   | 49,372                                            |
| 8 inch                           | 330              | 93.33                 | 30,800                  | \$7.84                          | \$36.40                         | \$44.24                                   | 175,190                                           |
| 10 inch                          | 45               | 150.00                | 6,750                   | \$7.84                          | \$58.50                         | \$66.34                                   | 35,824                                            |
| 12 inch                          | 4                | 183.33                | 733                     | \$7.84                          | \$71.50                         | \$79.34                                   | 3,808                                             |
| <b>Subtotal: Fire Meters</b>     | <b>656</b>       |                       | <b>48,362</b>           |                                 |                                 |                                           | <b>\$288,049</b>                                  |
| <b>Total Meters</b>              | <b>38,711</b>    |                       | <b>97,441</b>           |                                 |                                 |                                           | <b>\$13,727,387</b>                               |

1. Slight deviation in dollar amount due to rounding.



**Victorville Water District  
Proposed Rate Derivation**

**Table 14  
Construction Flow Meter/Intertie Rate**

**Average Cost of Water**

|                             |               |
|-----------------------------|---------------|
| Revenue Requirement         | \$34,586,214  |
| Estimated Water Consumption | 8,893,551     |
| <b>Cost Per HCF</b>         | <b>\$3.89</b> |

**Table 15  
Untreated Water Rates**

**Average Annual Production <sup>1</sup>**

|                                 |                   |
|---------------------------------|-------------------|
| Water Production (in acre feet) | 171.64            |
| Biological/Administrative Fee   | x \$6.86          |
| Watermaster Cost                | <u>\$1,177.45</u> |

|                               |            |
|-------------------------------|------------|
| Water Production (in gallons) | 55,929,139 |
| Water Production (in hcf)     | 74,766     |

**Costs Allocated to Untreated Well Customers <sup>1</sup>**

|                               |                  |
|-------------------------------|------------------|
| Power - SCE                   | \$55,445         |
| Personnel                     | \$36,500         |
| Annual Maintenance            | \$30,000         |
| Watermaster Costs             | <u>\$1,177</u>   |
| <b>Total Cost</b>             | <b>\$123,123</b> |
| Water Production (in hcf)     | ÷ 74,766         |
| <b>Proposed Rate (\$/hcf)</b> | <b>\$1.65</b>    |

*1. Slight deviation in dollar amounts and units  
due to rounding.*

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 16**  
**Source of Supply Rates Applicable to Drought Surcharges**

| Source of Supply Rates                                | Cost Per Acre<br>Foot | Cost Per HCF |
|-------------------------------------------------------|-----------------------|--------------|
| <b>Replacement and Makeup Assessment Rates</b>        |                       |              |
| FY 2024/25 (6/1/26 Invoice Date)                      | \$565                 | \$1.30       |
| FY 2025/26 (6/1/27 Invoice Date)                      | \$622                 | \$1.43       |
| FY 2026/27 (6/2/28 Invoice Date)                      | \$634                 | \$1.46       |
| <b>Administrative and Biological Assessment Rates</b> |                       |              |
| Administrative Rate (FY 2026/27)                      | \$6.35                | \$0.015      |
| Biological Rate (FY 2026/27)                          | \$1.23                | \$0.0028     |
| <b>Purchased Water Cost, FY 2026/27</b>               |                       |              |
| HDPP/City of Victorville                              | \$565                 | \$1.30       |

**Table 17**  
**Source of Supply Rate Cost Escalation**

| Cost Inflation (from Table 5)                 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
|-----------------------------------------------|---------|---------|---------|---------|---------|
| R-Cubed Water                                 | 7.50%   | 7.50%   | 7.50%   | 7.50%   | 7.50%   |
| Admin & Bio Assessment                        | 4.50%   | 4.50%   | 4.50%   | 4.50%   | 4.50%   |
| Groundwater Replenishment & Makeup Obligation | 4.00%   | 4.00%   | 4.00%   | 4.00%   | 4.00%   |
| Utilities - Production Power                  | 7.50%   | 7.50%   | 7.50%   | 7.50%   | 7.50%   |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 18**  
**Source of Supply Rate Projection**

| <b>Water Supply Cost Projection</b>        | <b>FY 2027</b> | <b>FY 2028</b> | <b>FY 2029</b> | <b>FY 2030</b> | <b>FY 2031</b> |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Administrative Rate (\$/AF)                | \$6.35         | \$6.64         | \$6.93         | \$7.25         | \$7.57         |
| Biological Rate (\$/AF)                    | \$1.23         | \$1.29         | \$1.34         | \$1.40         | \$1.47         |
| Replacement and Makeup Assessment (\$/AF)  | \$634          | \$659          | \$686          | \$713          | \$742          |
| R3 Water Cost (\$/AF)                      | \$180          | \$194          | \$208          | \$224          | \$240          |
| Administrative Rate (\$/HCF)               | \$0.015        | \$0.015        | \$0.016        | \$0.017        | \$0.017        |
| Biological Rate (\$/HCF)                   | \$0.003        | \$0.003        | \$0.003        | \$0.003        | \$0.003        |
| Replacement and Makeup Assessment (\$/HCF) | \$1.46         | \$1.51         | \$1.57         | \$1.64         | \$1.70         |

**Table 19**  
**Water Production**

| <b>Historical Production</b> | <b>2020-2021</b> | <b>2021-2022</b> | <b>2022-2023</b> | <b>2023-2024</b> | <b>2024-2025</b> | <b>5-Year<br/>Average</b> |
|------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------------|
| AF                           | 24,096           | 22,463           | 20,523           | 20,982           | 21,902           | 21,993                    |
| HCF                          | 10,496,074       | 9,784,820        | 8,939,651        | 9,139,738        | 9,540,628        | 9,580,182                 |
| Free Production Allowance    | 14,652           | 14,274           | 14,689           | 13,262           | 13,651           | 14,106                    |

**Table 20**  
**Water Production and Consumption Estimates**

| <b>Production/Consumption Statistic</b> | <b>FY 2027</b> | <b>FY 2028</b> | <b>FY 2029</b> | <b>FY 2030</b> | <b>FY 2031</b> |
|-----------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Estimated Production (af)               | 21,993         | 22,213         | 22,435         | 22,659         | 22,886         |
| Estimated Consumption (af)              | 20,291         | 20,494         | 20,698         | 20,905         | 21,114         |
| Free Production Allowance (af)          | 13,305         | 13,305         | 13,305         | 13,305         | 13,305         |
| Production Over FPA (af)                | 8,688          | 8,908          | 9,130          | 9,354          | 9,581          |
| Estimated Production (hcf)              | 9,580,182      | 9,675,984      | 9,772,744      | 9,870,471      | 9,969,176      |
| Estimated Consumption (hcf)             | 8,838,588      | 8,926,974      | 9,016,244      | 9,106,406      | 9,197,470      |
| Free Production Allowance (hcf)         | 5,795,658      | 5,795,658      | 5,795,658      | 5,795,658      | 5,795,658      |
| Production Over FPA (hcf)               | 3,784,524      | 3,880,326      | 3,977,086      | 4,074,813      | 4,173,518      |
| Estimated Water Loss                    | 8%             | 8%             | 8%             | 8%             | 8%             |
| Estimated R3 Water Purchases (AF)       | 4,622          | 4,493          | 4,368          | 4,246          | 4,127          |
| Estimated R3 Water Purchases (hcf)      | 2,013,440      | 1,957,251      | 1,902,630      | 1,849,533      | 1,797,918      |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 21**  
**Base Water Supply Cost, Production and Consumption**

| Water Supply Costs              | 0% Conservation      |                      |                      |                      |                      |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                 | FY 2027              | FY 2028              | FY 2029              | FY 2030              | FY 2031              |
| Groundwater Replenishment       | \$ 5,508,238         | \$ 5,873,581         | \$ 6,260,846         | \$ 6,671,279         | \$ 7,106,194         |
| Administrative Assessment       | \$ 139,656           | \$ 147,400           | \$ 155,573           | \$ 164,200           | \$ 173,305           |
| Biological Assessment           | \$ 27,051            | \$ 28,551            | \$ 30,135            | \$ 31,806            | \$ 33,569            |
| Utilities - Production Power    | \$ 3,151,800         | \$ 3,388,185         | \$ 3,642,299         | \$ 3,915,471         | \$ 4,209,132         |
| Chemicals                       | \$ 277,950           | \$ 286,289           | \$ 294,877           | \$ 303,723           | \$ 312,835           |
| <b>Total</b>                    | <b>\$ 9,104,695</b>  | <b>\$ 9,724,006</b>  | <b>\$ 10,383,730</b> | <b>\$ 11,086,479</b> | <b>\$ 11,835,034</b> |
| Production (hcf)                | 9,580,182            | 9,675,984            | 9,772,744            | 9,870,471            | 9,969,176            |
| Production Over FPA (hcf)       | 3,784,524            | 3,880,326            | 3,977,086            | 4,074,813            | 4,173,518            |
| Consumption (hcf)               | 8,838,588            | 8,926,974            | 9,016,244            | 9,106,406            | 9,197,470            |
| <b>Rate Revenue Requirement</b> | <b>\$ 34,586,214</b> | <b>\$ 36,446,174</b> | <b>\$ 38,283,061</b> | <b>\$ 40,212,527</b> | <b>\$ 42,239,239</b> |

**Table 22**  
**Drought Surcharge Development - 10% Conservation**

| Water Supply Costs                              | 10% Conservation      |                       |                       |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | FY 2027               | FY 2028               | FY 2029               | FY 2030               | FY 2031               |
| Groundwater Replenishment                       | \$ 4,113,877          | \$ 4,408,944          | \$ 4,722,392          | \$ 5,055,287          | \$ 5,408,755          |
| Administrative Assessment                       | \$ 125,690            | \$ 132,660            | \$ 140,016            | \$ 147,780            | \$ 155,974            |
| Biological Assessment                           | \$ 24,346             | \$ 25,696             | \$ 27,121             | \$ 28,625             | \$ 30,212             |
| Utilities - Production Power                    | \$ 2,836,620          | \$ 3,049,367          | \$ 3,278,069          | \$ 3,523,924          | \$ 3,788,218          |
| Chemicals                                       | \$ 250,155            | \$ 257,660            | \$ 265,389            | \$ 273,351            | \$ 281,552            |
| <b>Total</b>                                    | <b>\$ 7,350,689</b>   | <b>\$ 7,874,327</b>   | <b>\$ 8,432,987</b>   | <b>\$ 9,028,967</b>   | <b>\$ 9,664,712</b>   |
| <b>Change in Cost from Full Production</b>      | <b>\$ (1,754,007)</b> | <b>\$ (1,849,679)</b> | <b>\$ (1,950,743)</b> | <b>\$ (2,057,512)</b> | <b>\$ (2,170,322)</b> |
| <b>Revised Revenue Requirement</b>              | <b>\$ 32,832,208</b>  | <b>\$ 34,596,495</b>  | <b>\$ 36,332,319</b>  | <b>\$ 38,155,015</b>  | <b>\$ 40,068,916</b>  |
| Production (hcf)                                | 8,622,164             | 8,708,386             | 8,795,469             | 8,883,424             | 8,972,258             |
| Production Over FPA (hcf)                       | 2,826,506             | 2,912,728             | 2,999,811             | 3,087,766             | 3,176,600             |
| Consumption (hcf)                               | 7,954,729             | 8,034,276             | 8,114,619             | 8,195,765             | 8,277,723             |
| <b>Fixed Rate Revenue</b>                       | <b>\$ 13,727,387</b>  | <b>\$ 14,419,247</b>  | <b>\$ 15,145,977</b>  | <b>\$ 15,909,335</b>  | <b>\$ 16,711,165</b>  |
| <b>Variable Rate Revenue (10% Conservation)</b> | <b>\$ 18,664,043</b>  | <b>\$ 19,604,711</b>  | <b>\$ 20,592,788</b>  | <b>\$ 21,630,665</b>  | <b>\$ 22,720,850</b>  |
| <b>Total Rate Revenue (Standard Rates)</b>      | <b>\$ 32,391,430</b>  | <b>\$ 34,023,958</b>  | <b>\$ 35,738,766</b>  | <b>\$ 37,540,000</b>  | <b>\$ 39,432,015</b>  |
| <b>Drought Condition Shortfall</b>              | <b>\$ (440,777)</b>   | <b>\$ (572,537)</b>   | <b>\$ (593,553)</b>   | <b>\$ (615,016)</b>   | <b>\$ (636,901)</b>   |
| <b>Drought Surcharge</b>                        | <b>\$0.06</b>         | <b>\$0.07</b>         | <b>\$0.07</b>         | <b>\$0.08</b>         | <b>\$0.08</b>         |
| <i>% Change in Fixed Revenue</i>                |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |
| <i>% Change in variable revenue</i>             |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 23**  
**Drought Surcharge Development - 20% Conservation**

| Water Supply Costs                              | 20% Conservation      |                       |                       |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | FY 2027               | FY 2028               | FY 2029               | FY 2030               | FY 2031               |
| Groundwater Replenishment                       | \$ 2,719,516          | \$ 2,944,308          | \$ 3,183,938          | \$ 3,439,295          | \$ 3,711,317          |
| Administrative Assessment                       | \$ 111,725            | \$ 117,920            | \$ 124,459            | \$ 131,360            | \$ 138,644            |
| Biological Assessment                           | \$ 21,641             | \$ 22,841             | \$ 24,108             | \$ 25,445             | \$ 26,855             |
| Utilities - Production Power                    | \$ 2,521,440          | \$ 2,710,548          | \$ 2,913,839          | \$ 3,132,377          | \$ 3,367,305          |
| Chemicals                                       | \$ 222,360            | \$ 229,031            | \$ 235,902            | \$ 242,979            | \$ 250,268            |
| <b>Total</b>                                    | <b>\$ 5,596,682</b>   | <b>\$ 6,024,648</b>   | <b>\$ 6,482,245</b>   | <b>\$ 6,971,455</b>   | <b>\$ 7,494,390</b>   |
| <b>Change in Cost from Full Production</b>      | <b>\$ (3,508,013)</b> | <b>\$ (3,699,358)</b> | <b>\$ (3,901,485)</b> | <b>\$ (4,115,025)</b> | <b>\$ (4,340,645)</b> |
| <b>Revised Revenue Requirement</b>              | <b>\$ 31,078,201</b>  | <b>\$ 32,746,816</b>  | <b>\$ 34,381,576</b>  | <b>\$ 36,097,503</b>  | <b>\$ 37,898,594</b>  |
| Production (hcf)                                | 7,664,146             | 7,740,787             | 7,818,195             | 7,896,377             | 7,975,341             |
| Production Over FPA (hcf)                       | 1,868,488             | 1,945,129             | 2,022,537             | 2,100,719             | 2,179,683             |
| Consumption (hcf)                               | 7,070,870             | 7,141,579             | 7,212,995             | 7,285,125             | 7,357,976             |
| <b>Fixed Rate Revenue</b>                       | <b>\$ 13,727,387</b>  | <b>\$ 14,419,247</b>  | <b>\$ 15,145,977</b>  | <b>\$ 15,909,335</b>  | <b>\$ 16,711,165</b>  |
| <b>Variable Rate Revenue (20% Conservation)</b> | <b>\$ 16,590,261</b>  | <b>\$ 17,426,410</b>  | <b>\$ 18,304,701</b>  | <b>\$ 19,227,258</b>  | <b>\$ 20,196,312</b>  |
| <b>Total Rate Revenue (Standard Rates)</b>      | <b>\$ 30,317,648</b>  | <b>\$ 31,845,657</b>  | <b>\$ 33,450,678</b>  | <b>\$ 35,136,592</b>  | <b>\$ 36,907,477</b>  |
| <b>Drought Condition Shortfall</b>              | <b>\$ (760,554)</b>   | <b>\$ (901,159)</b>   | <b>\$ (930,898)</b>   | <b>\$ (960,910)</b>   | <b>\$ (991,117)</b>   |
| <b>Drought Surcharge</b>                        | <b>\$0.11</b>         | <b>\$0.13</b>         | <b>\$0.13</b>         | <b>\$0.13</b>         | <b>\$0.13</b>         |
| <i>% Change in Fixed Revenue</i>                |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |
| <i>% Change in variable revenue</i>             |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 24**  
**Drought Surcharge Development - 30% Conservation**

| Water Supply Costs                              | 30% Conservation      |                       |                       |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | FY 2027               | FY 2028               | FY 2029               | FY 2030               | FY 2031               |
| Groundwater Replenishment                       | \$ 1,325,155          | \$ 1,479,671          | \$ 1,645,483          | \$ 1,823,302          | \$ 2,013,879          |
| Administrative Assessment                       | \$ 97,759             | \$ 103,180            | \$ 108,901            | \$ 114,940            | \$ 121,313            |
| Biological Assessment                           | \$ 18,936             | \$ 19,986             | \$ 21,094             | \$ 22,264             | \$ 23,498             |
| Utilities - Production Power                    | \$ 2,206,260          | \$ 2,371,730          | \$ 2,549,609          | \$ 2,740,830          | \$ 2,946,392          |
| Chemicals                                       | \$ 194,565            | \$ 200,402            | \$ 206,414            | \$ 212,606            | \$ 218,985            |
| <b>Total</b>                                    | <b>\$ 3,842,676</b>   | <b>\$ 4,174,969</b>   | <b>\$ 4,531,502</b>   | <b>\$ 4,913,942</b>   | <b>\$ 5,324,067</b>   |
| <b>Change in Cost from Full Production</b>      | <b>\$ (5,262,020)</b> | <b>\$ (5,549,037)</b> | <b>\$ (5,852,228)</b> | <b>\$ (6,172,537)</b> | <b>\$ (6,510,967)</b> |
| <b>Revised Revenue Requirement</b>              | <b>\$ 29,324,195</b>  | <b>\$ 30,897,137</b>  | <b>\$ 32,430,833</b>  | <b>\$ 34,039,990</b>  | <b>\$ 35,728,272</b>  |
| Production (hcf)                                | 6,706,128             | 6,773,189             | 6,840,921             | 6,909,330             | 6,978,423             |
| Production Over FPA (hcf)                       | 910,470               | 977,531               | 1,045,263             | 1,113,672             | 1,182,765             |
| Consumption (hcf)                               | 6,187,012             | 6,248,882             | 6,311,371             | 6,374,484             | 6,438,229             |
| <b>Fixed Rate Revenue</b>                       | <b>\$ 13,727,387</b>  | <b>\$ 14,419,247</b>  | <b>\$ 15,145,977</b>  | <b>\$ 15,909,335</b>  | <b>\$ 16,711,165</b>  |
| <b>Variable Rate Revenue (30% Conservation)</b> | <b>\$ 14,898,215</b>  | <b>\$ 15,649,085</b>  | <b>\$ 16,437,799</b>  | <b>\$ 17,266,264</b>  | <b>\$ 18,136,484</b>  |
| <b>Total Rate Revenue (Standard Rates)</b>      | <b>\$ 28,625,602</b>  | <b>\$ 30,068,333</b>  | <b>\$ 31,583,777</b>  | <b>\$ 33,175,599</b>  | <b>\$ 34,847,649</b>  |
| <b>Drought Condition Shortfall</b>              | <b>\$ (698,592)</b>   | <b>\$ (828,804)</b>   | <b>\$ (847,057)</b>   | <b>\$ (864,391)</b>   | <b>\$ (880,622)</b>   |
| <b>Drought Surcharge</b>                        | <b>\$0.113</b>        | <b>\$0.133</b>        | <b>\$0.134</b>        | <b>\$0.136</b>        | <b>\$0.137</b>        |
| <i>% Change in Fixed Revenue</i>                |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |
| <i>% Change in variable revenue</i>             |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 25**  
**Drought Surcharge Development - 40% Conservation**

| Water Supply Costs                              | 40% Conservation      |                       |                       |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | FY 2027               | FY 2028               | FY 2029               | FY 2030               | FY 2031               |
| Groundwater Replenishment                       | \$ -                  | \$ 15,035             | \$ 107,029            | \$ 207,310            | \$ 316,440            |
| Administrative Assessment                       | \$ 83,794             | \$ 88,440             | \$ 93,344             | \$ 98,520             | \$ 103,983            |
| Biological Assessment                           | \$ 16,231             | \$ 17,131             | \$ 18,081             | \$ 19,083             | \$ 20,142             |
| Utilities - Production Power                    | \$ 1,891,080          | \$ 2,032,911          | \$ 2,185,379          | \$ 2,349,283          | \$ 2,525,479          |
| Chemicals                                       | \$ 166,770            | \$ 171,773            | \$ 176,926            | \$ 182,234            | \$ 187,701            |
| <b>Total</b>                                    | <b>\$ 2,157,874</b>   | <b>\$ 2,325,289</b>   | <b>\$ 2,580,760</b>   | <b>\$ 2,856,430</b>   | <b>\$ 3,153,745</b>   |
| <b>Change in Cost from Full Production</b>      | <b>\$ (6,946,821)</b> | <b>\$ (7,398,716)</b> | <b>\$ (7,802,971)</b> | <b>\$ (8,230,049)</b> | <b>\$ (8,681,290)</b> |
| <b>Revised Revenue Requirement</b>              | <b>\$ 27,639,393</b>  | <b>\$ 29,047,458</b>  | <b>\$ 30,480,091</b>  | <b>\$ 31,982,478</b>  | <b>\$ 33,557,949</b>  |
| Production (hcf)                                | 5,748,109             | 5,805,590             | 5,863,646             | 5,922,283             | 5,981,506             |
| Production Over FPA (hcf)                       | -                     | 9,932                 | 67,988                | 126,625               | 185,848               |
| Consumption (hcf)                               | 5,303,153             | 5,356,184             | 5,409,746             | 5,463,844             | 5,518,482             |
| <b>Fixed Rate Revenue</b>                       | <b>\$ 13,727,387</b>  | <b>\$ 14,419,247</b>  | <b>\$ 15,145,977</b>  | <b>\$ 15,909,335</b>  | <b>\$ 16,711,165</b>  |
| <b>Variable Rate Revenue (40% Conservation)</b> | <b>\$ 12,769,899</b>  | <b>\$ 13,413,502</b>  | <b>\$ 14,089,542</b>  | <b>\$ 14,799,655</b>  | <b>\$ 15,545,558</b>  |
| <b>Total Rate Revenue (Standard Rates)</b>      | <b>\$ 26,497,286</b>  | <b>\$ 27,832,749</b>  | <b>\$ 29,235,520</b>  | <b>\$ 30,708,990</b>  | <b>\$ 32,256,723</b>  |
| <b>Drought Condition Shortfall</b>              | <b>\$ (1,142,108)</b> | <b>\$ (1,214,709)</b> | <b>\$ (1,244,571)</b> | <b>\$ (1,273,488)</b> | <b>\$ (1,301,226)</b> |
| <b>Drought Surcharge</b>                        | <b>\$0.22</b>         | <b>\$0.23</b>         | <b>\$0.23</b>         | <b>\$0.23</b>         | <b>\$0.24</b>         |
| <i>% Change in Fixed Revenue</i>                |                       | <i>5.0%</i>           | <i>5.0%</i>           | <i>5.0%</i>           | <i>5.0%</i>           |
| <i>% Change in variable revenue</i>             |                       | <i>5.0%</i>           | <i>5.0%</i>           | <i>5.0%</i>           | <i>5.0%</i>           |

**Victorville Water District**  
**Proposed Drought Surcharge Calculations**

**Table 26**  
**Drought Surcharge Development - 50% Conservation**

| Water Supply Costs                              | 50% Conservation      |                       |                       |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | FY 2027               | FY 2028               | FY 2029               | FY 2030               | FY 2031               |
| Groundwater Replenishment                       | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  |
| Administrative Assessment                       | \$ 69,828             | \$ 73,700             | \$ 77,787             | \$ 82,100             | \$ 86,652             |
| Biological Assessment                           | \$ 13,526             | \$ 14,276             | \$ 15,067             | \$ 15,903             | \$ 16,785             |
| Utilities - Production Power                    | \$ 1,575,900          | \$ 1,694,093          | \$ 1,821,149          | \$ 1,957,736          | \$ 2,104,566          |
| Chemicals                                       | \$ 138,975            | \$ 143,144            | \$ 147,439            | \$ 151,862            | \$ 156,418            |
| <b>Total</b>                                    | <b>\$ 1,798,229</b>   | <b>\$ 1,925,212</b>   | <b>\$ 2,061,442</b>   | <b>\$ 2,207,600</b>   | <b>\$ 2,364,420</b>   |
| <b>Change in Cost from Full Production</b>      | <b>\$ (7,306,466)</b> | <b>\$ (7,798,793)</b> | <b>\$ (8,322,288)</b> | <b>\$ (8,878,879)</b> | <b>\$ (9,470,614)</b> |
| <b>Revised Revenue Requirement</b>              | <b>\$ 27,279,748</b>  | <b>\$ 28,647,381</b>  | <b>\$ 29,960,773</b>  | <b>\$ 31,333,648</b>  | <b>\$ 32,768,625</b>  |
| Production (hcf)                                | 4,790,091             | 4,837,992             | 4,886,372             | 4,935,236             | 4,984,588             |
| Production Over FPA (hcf)                       | -                     | -                     | -                     | -                     | -                     |
| Consumption (hcf)                               | 4,419,294             | 4,463,487             | 4,508,122             | 4,553,203             | 4,598,735             |
| <b>Fixed Rate Revenue</b>                       | <b>\$ 13,727,387</b>  | <b>\$ 14,419,247</b>  | <b>\$ 15,145,977</b>  | <b>\$ 15,909,335</b>  | <b>\$ 16,711,165</b>  |
| <b>Variable Rate Revenue (50% Conservation)</b> | <b>\$ 10,641,582</b>  | <b>\$ 11,177,918</b>  | <b>\$ 11,741,285</b>  | <b>\$ 12,333,046</b>  | <b>\$ 12,954,632</b>  |
| <b>Total Rate Revenue (Standard Rates)</b>      | <b>\$ 24,368,969</b>  | <b>\$ 25,597,165</b>  | <b>\$ 26,887,263</b>  | <b>\$ 28,242,381</b>  | <b>\$ 29,665,797</b>  |
| <b>Drought Condition Shortfall</b>              | <b>\$ (2,910,778)</b> | <b>\$ (3,050,215)</b> | <b>\$ (3,073,510)</b> | <b>\$ (3,091,268)</b> | <b>\$ (3,102,828)</b> |
| <b>Drought Surcharge</b>                        | <b>\$0.66</b>         | <b>\$0.68</b>         | <b>\$0.68</b>         | <b>\$0.68</b>         | <b>\$0.67</b>         |
| <i>% Change in Fixed Revenue</i>                |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |
| <i>% Change in variable revenue</i>             |                       | 5.0%                  | 5.0%                  | 5.0%                  | 5.0%                  |

**Table 27**  
**Summary of Drought Surcharges**

| Drought Stages   | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 |
|------------------|------------|------------|------------|------------|------------|
| 10% Conservation | \$0.06     | \$0.07     | \$0.07     | \$0.08     | \$0.08     |
| 20% Conservation | \$0.11     | \$0.13     | \$0.13     | \$0.13     | \$0.13     |
| 30% Conservation | \$0.11     | \$0.13     | \$0.13     | \$0.14     | \$0.14     |
| 40% Conservation | \$0.22     | \$0.23     | \$0.23     | \$0.23     | \$0.24     |
| 50% Conservation | \$0.66     | \$0.68     | \$0.68     | \$0.68     | \$0.67     |



**Table 25**  
**Victorville Water District**  
**Proposed Water Rates**

| Monthly Water Rates                | Current    | Proposed   |            |            |            |            |
|------------------------------------|------------|------------|------------|------------|------------|------------|
|                                    | FY 2025/26 | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 |
| <b>Fixed Service Charges</b>       |            |            |            |            |            |            |
| 3/4 inch                           | \$25.81    | \$24.58    | \$25.56    | \$26.59    | \$27.65    | \$28.76    |
| 1 inch                             | \$39.48    | \$35.74    | \$37.17    | \$38.66    | \$40.20    | \$41.81    |
| 1.5 inch                           | \$73.66    | \$63.64    | \$66.19    | \$68.83    | \$71.59    | \$74.45    |
| 2 inch                             | \$114.67   | \$97.12    | \$101.00   | \$105.04   | \$109.25   | \$113.62   |
| 3 inch                             | \$224.03   | \$286.84   | \$298.31   | \$310.25   | \$322.66   | \$335.56   |
| 4 inch                             | \$347.06   | \$498.88   | \$518.84   | \$539.59   | \$561.17   | \$583.62   |
| 6 inch                             | \$688.81   | \$789.04   | \$820.60   | \$853.43   | \$887.56   | \$923.07   |
| 8 inch                             | \$1,919.12 | \$1,570.24 | \$1,633.05 | \$1,698.37 | \$1,766.31 | \$1,836.96 |
| 10 inch                            | \$2,876.03 | \$2,518.84 | \$2,619.59 | \$2,724.38 | \$2,833.35 | \$2,946.69 |
| 12 inch                            | \$2,876.03 | \$3,076.84 | \$3,199.91 | \$3,327.91 | \$3,461.03 | \$3,599.47 |
| <b>Consumption Rates (per hcf)</b> |            |            |            |            |            |            |
| Single-Family Residents (SFR):     |            |            |            |            |            |            |
| Tier 1 (1 - 6 hcf)                 | \$0.80     |            |            |            |            |            |
| Tier 2 (7+ hcf)                    | \$2.44     |            |            |            |            |            |
| Uniform Rate (all hcf)             |            | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| All Other Customers:               |            |            |            |            |            |            |
| Standard Domestic Water (Non SFR)  | \$2.42     | \$2.28     | \$2.37     | \$2.47     | \$2.56     | \$2.67     |
| Construction Flow Meter/Intertie   | \$4.01     | \$3.89     | \$4.04     | \$4.21     | \$4.37     | \$4.55     |
| Well (Untreated) Water             | \$0.82     | \$1.65     | \$1.71     | \$1.78     | \$1.85     | \$1.93     |
| Reclaimed/Recycled Water           | \$1.45     | \$1.86     | \$1.93     | \$2.01     | \$2.09     | \$2.18     |
| <b>Fire Fixed Service Charges</b>  |            |            |            |            |            |            |
| 1 inch                             | \$6.45     | \$8.49     | \$8.83     | \$9.18     | \$9.55     | \$9.93     |
| 1.5 inch                           | \$7.59     | \$9.14     | \$9.51     | \$9.89     | \$10.28    | \$10.69    |
| 2 inch                             | \$8.96     | \$9.92     | \$10.32    | \$10.73    | \$11.16    | \$11.60    |
| 3 inch                             | \$13.30    | \$14.34    | \$14.91    | \$15.51    | \$16.13    | \$16.78    |
| 4 inch                             | \$21.30    | \$19.28    | \$20.05    | \$20.85    | \$21.69    | \$22.55    |
| 6 inch                             | \$41.86    | \$26.04    | \$27.08    | \$28.16    | \$29.29    | \$30.46    |
| 8 inch                             | \$69.28    | \$44.24    | \$46.01    | \$47.85    | \$49.76    | \$51.75    |
| 10 inch                            | \$105.84   | \$66.34    | \$68.99    | \$71.75    | \$74.62    | \$77.61    |
| 12 inch                            | \$105.84   | \$79.34    | \$82.51    | \$85.81    | \$89.25    | \$92.82    |

Victorville Water District  
Sample Water Bill Comparisons

Figure 1  
Single Family Residential Bill Comparison, 3/4-inch Meter

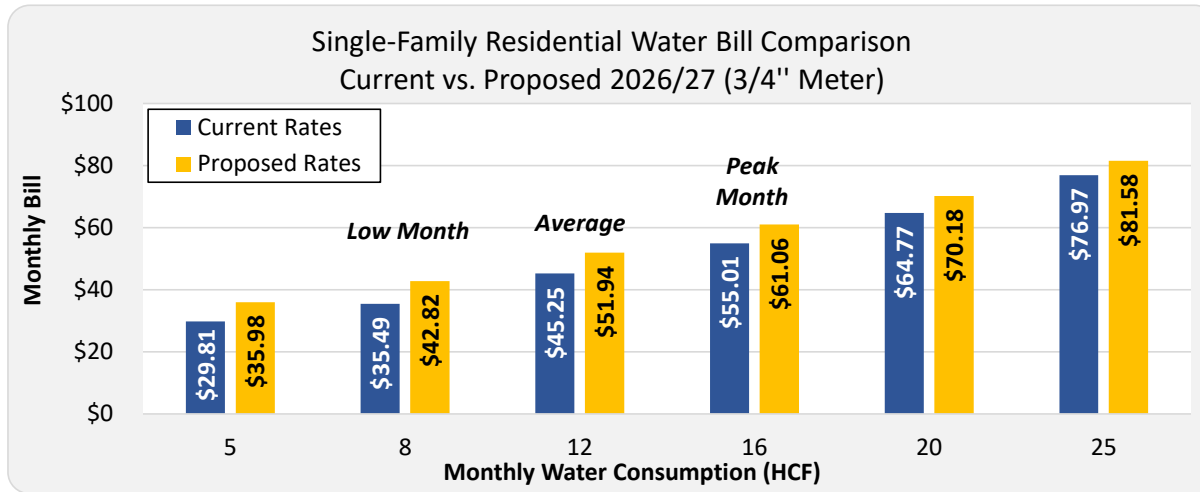
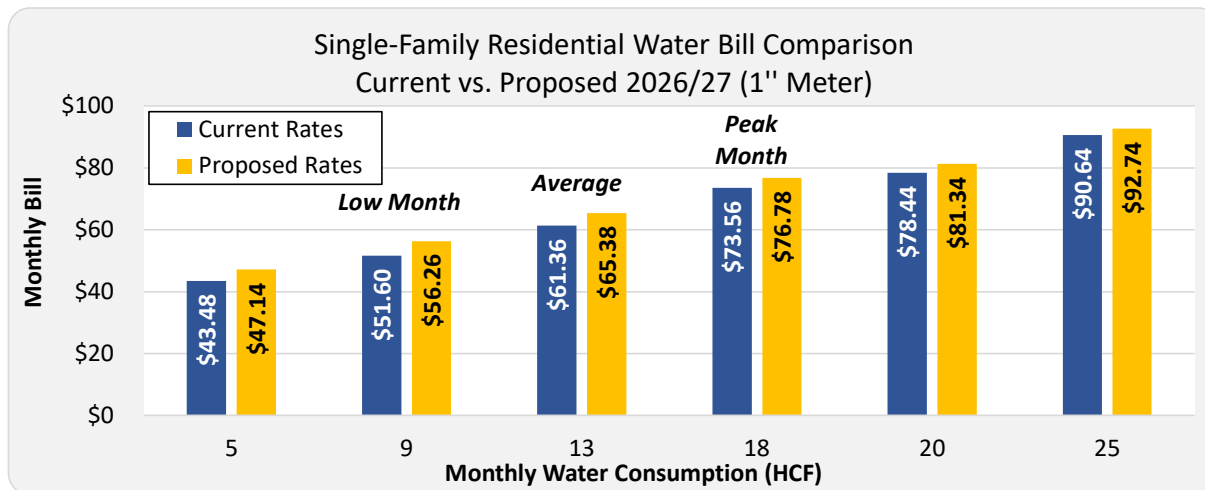
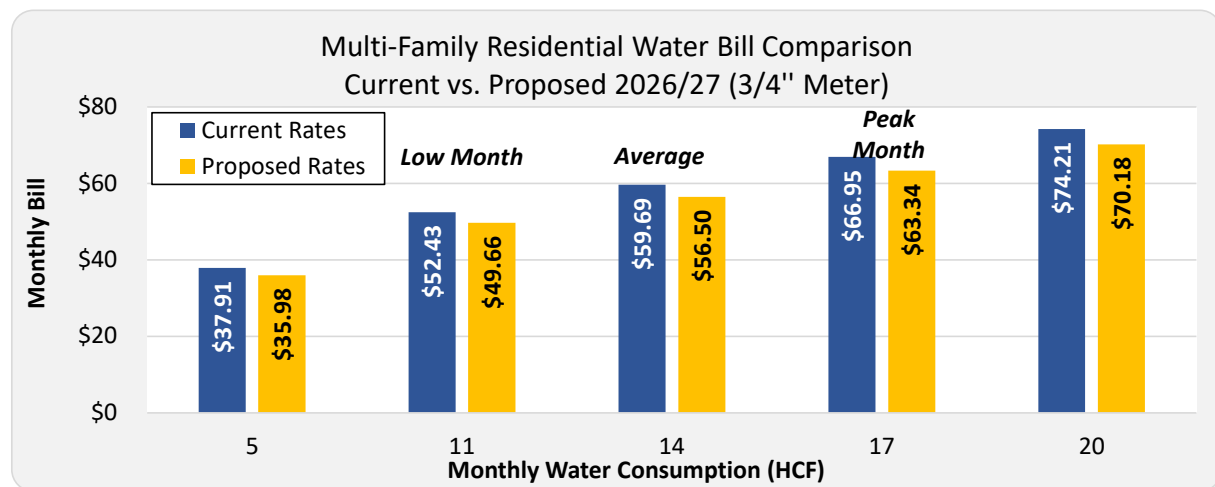


Figure 2  
Single Family Residential Bill Comparison, 1-inch Meter

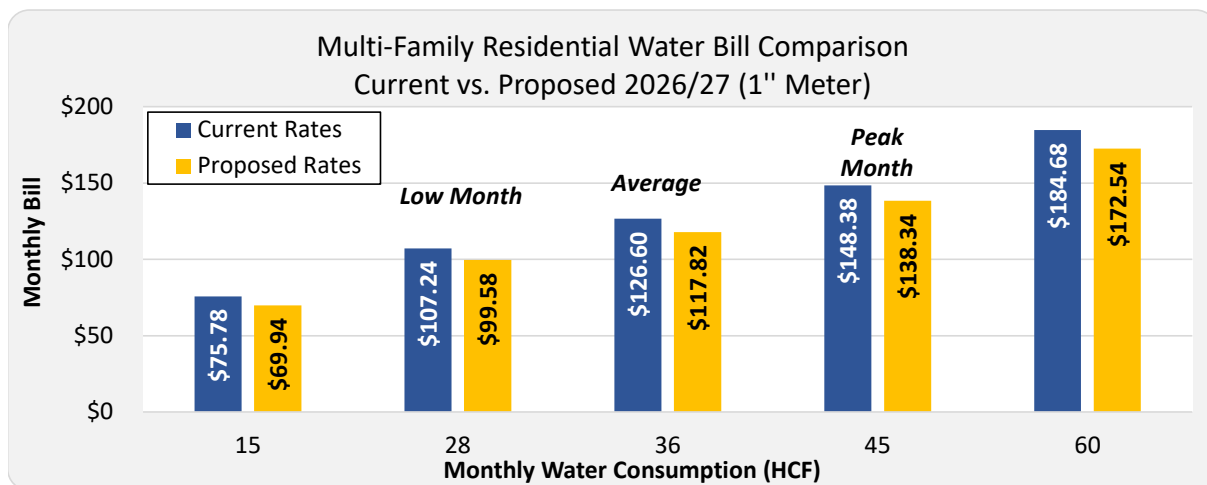


**Victorville Water District**  
**Sample Water Bill Comparisons**

**Figure 3**  
**Multi-Family Residential Bill Comparison, 3/4-inch Meter**



**Figure 4**  
**Multi-Family Residential Bill Comparison, 1-inch Meter**



Victorville Water District  
Sample Water Bill Comparisons

Figure 5  
Commercial Bill Comparison, 3/4-inch Meter

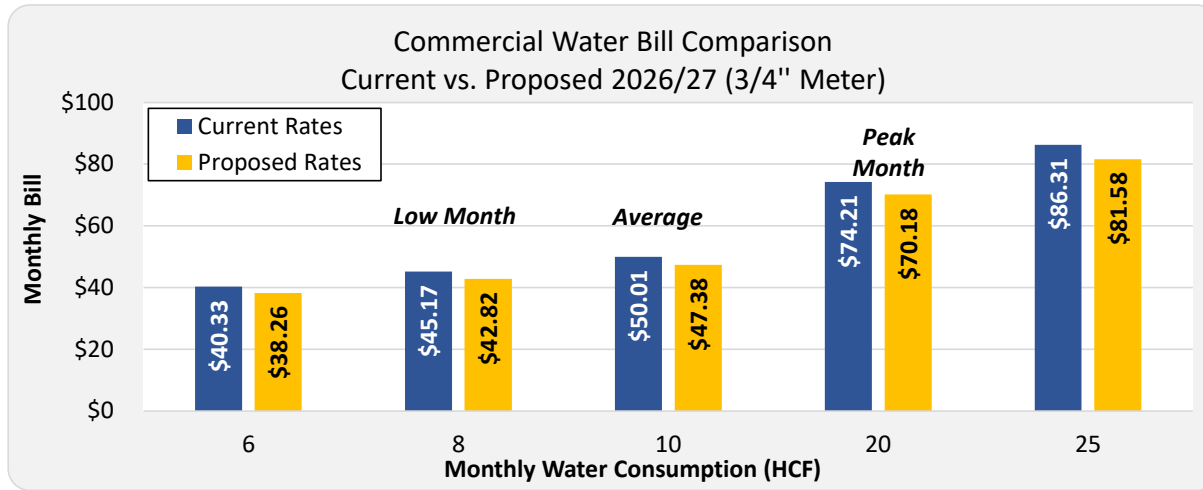
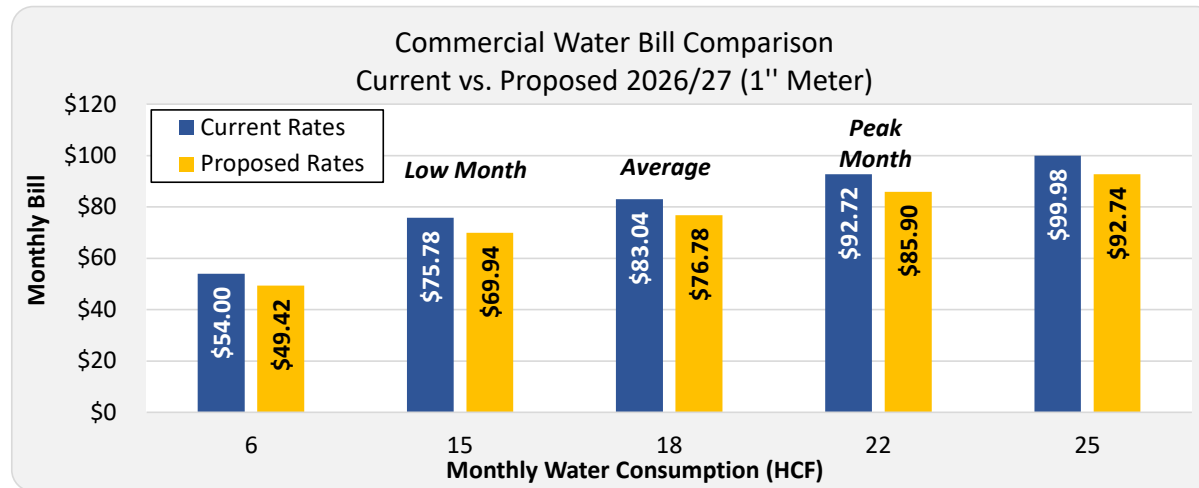


Figure 6  
Commercial Bill Comparison, 1-inch Meter



Victorville Water District  
Sample Water Bill Comparisons

Figure 7  
Institutional Bill Comparison, 3/4-inch Meter

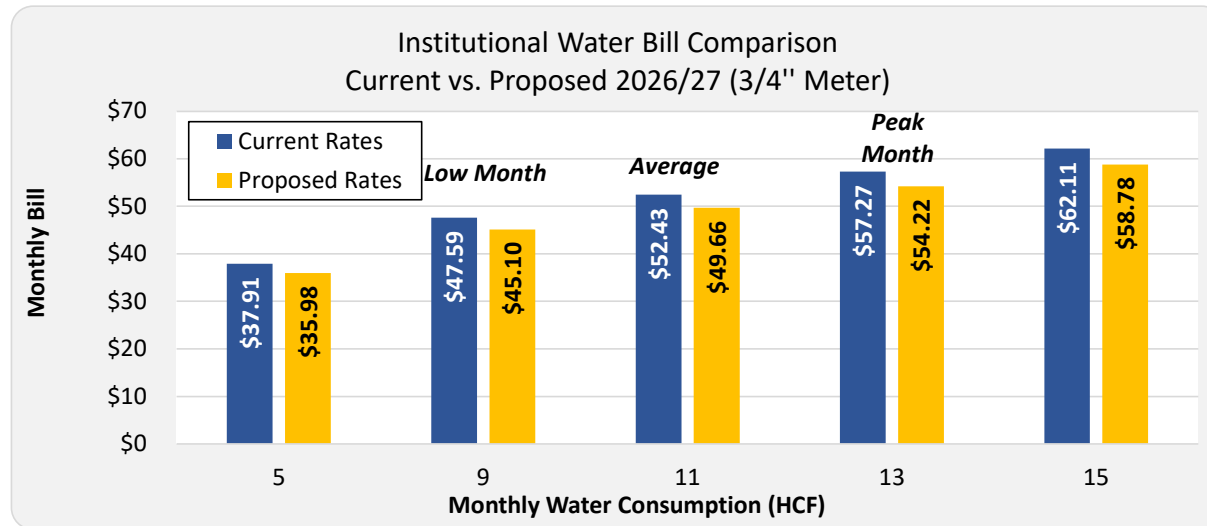
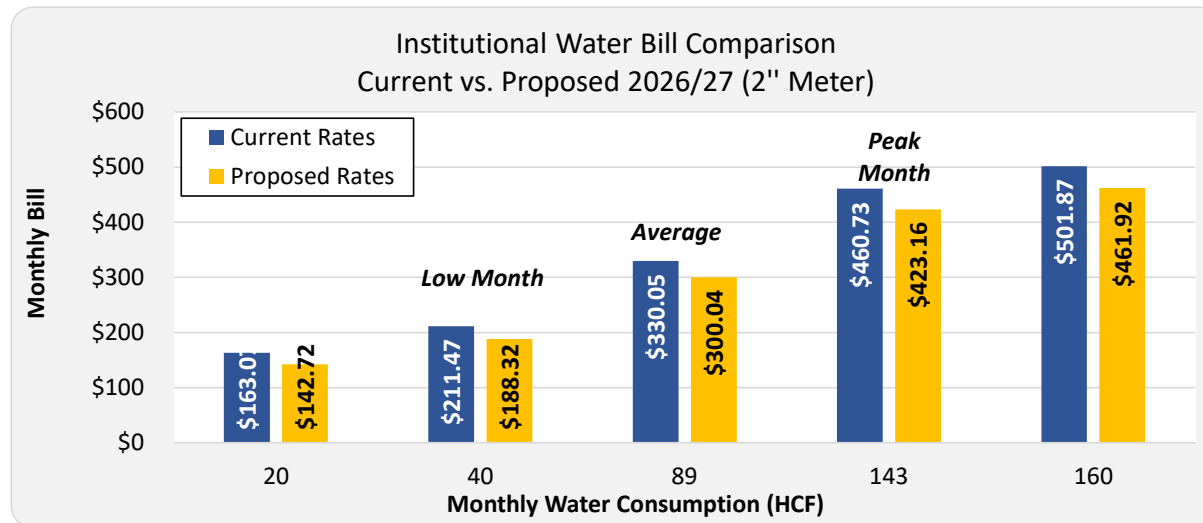
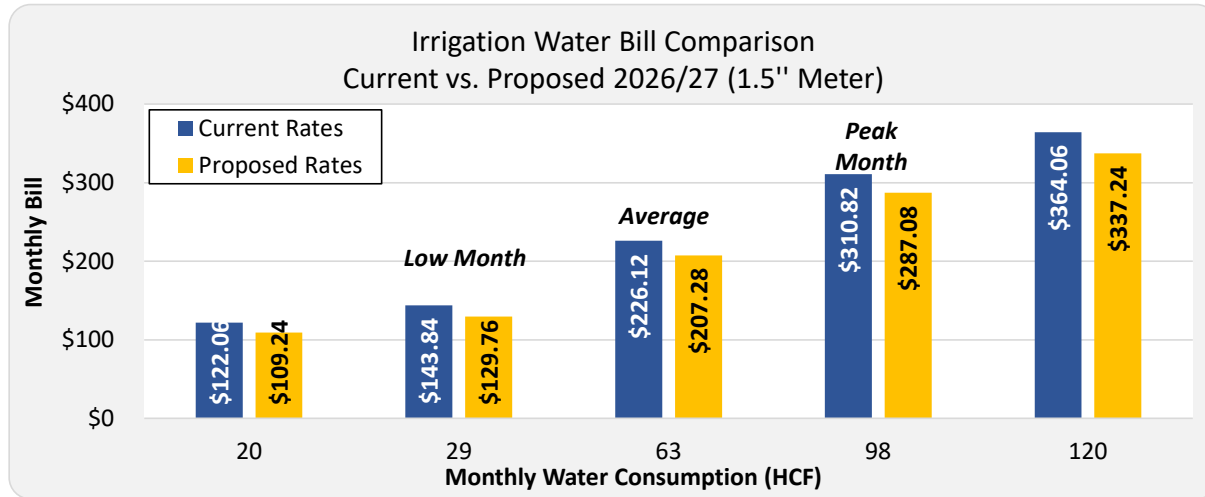


Figure 8  
Institutional Bill Comparison, 2-inch Meter

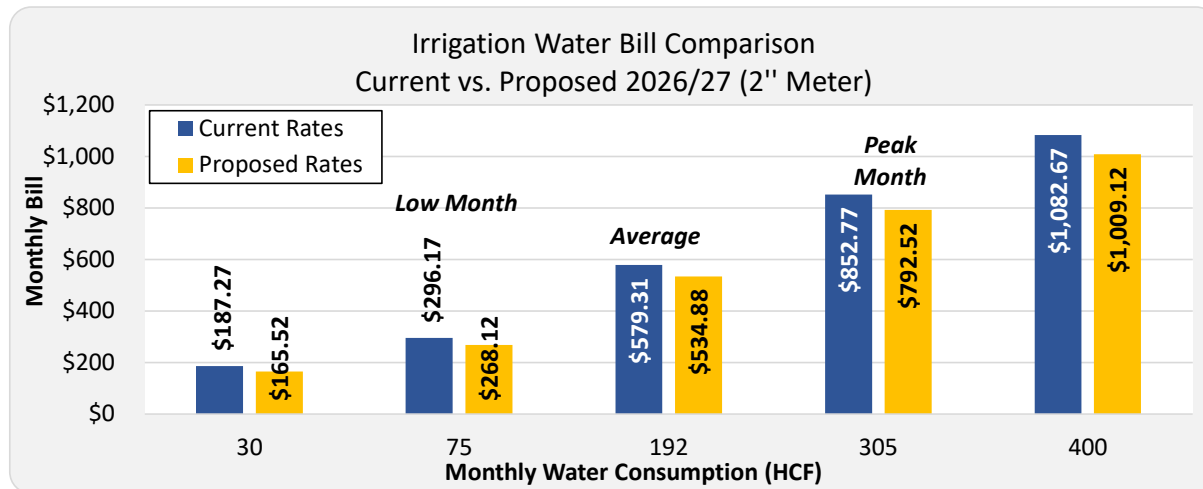


**Victorville Water District**  
**Sample Water Bill Comparisons**

**Figure 9**  
**Irrigation Bill Comparison, 1 1/2-inch Meter**

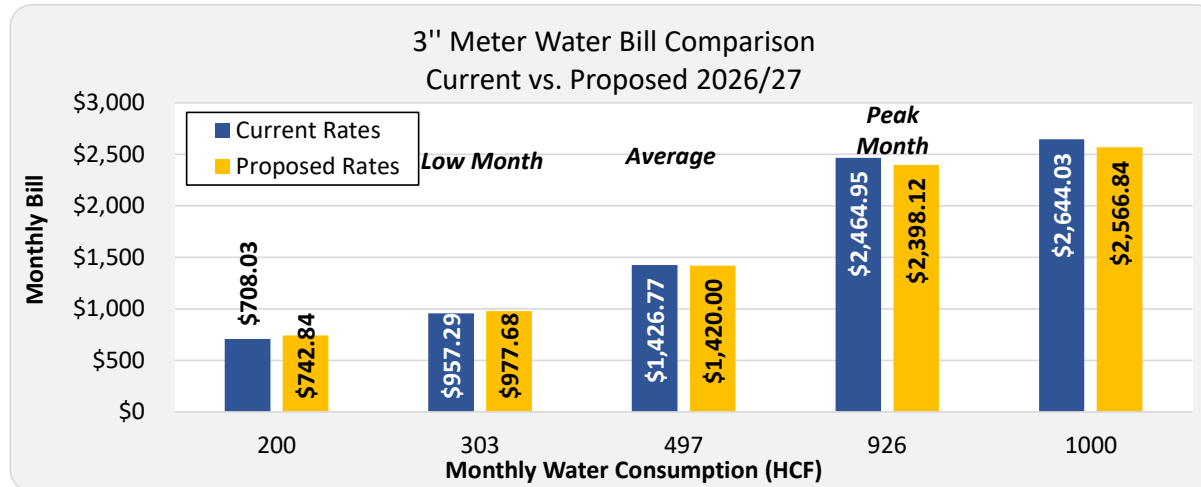


**Figure 10**  
**Irrigation Bill Comparison, 2-inch Meter**

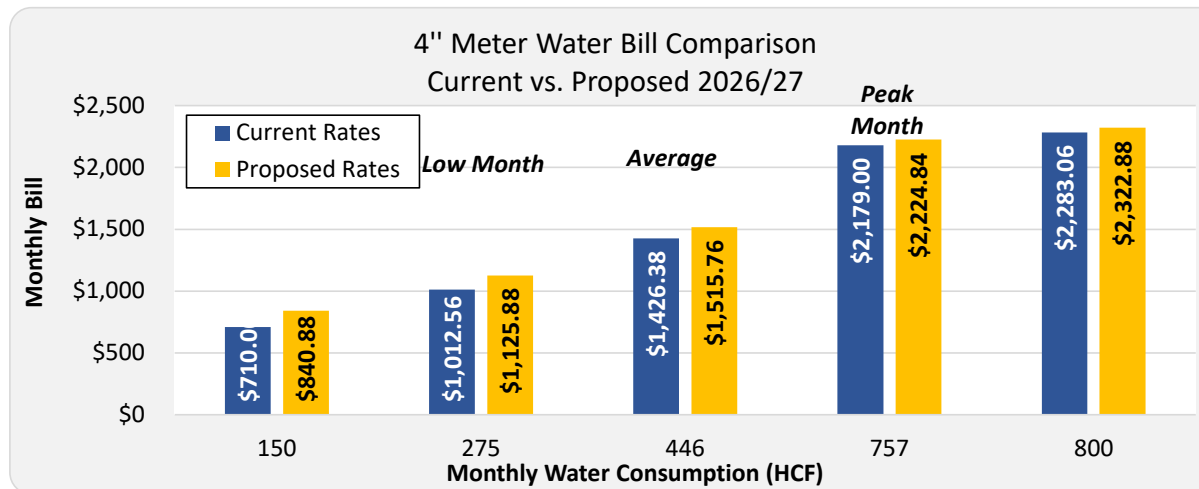


**Victorville Water District**  
**Sample Water Bill Comparisons**

**Figure 11**  
**Irrigation Bill Comparison, 3-inch Meter**

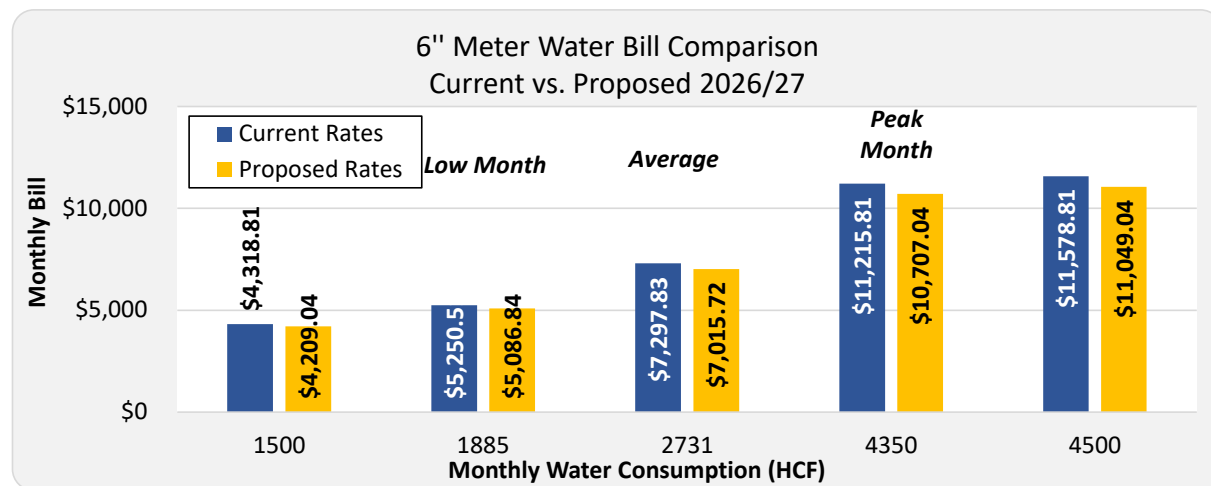


**Figure 12**  
**Irrigation Bill Comparison, 4-inch Meter**

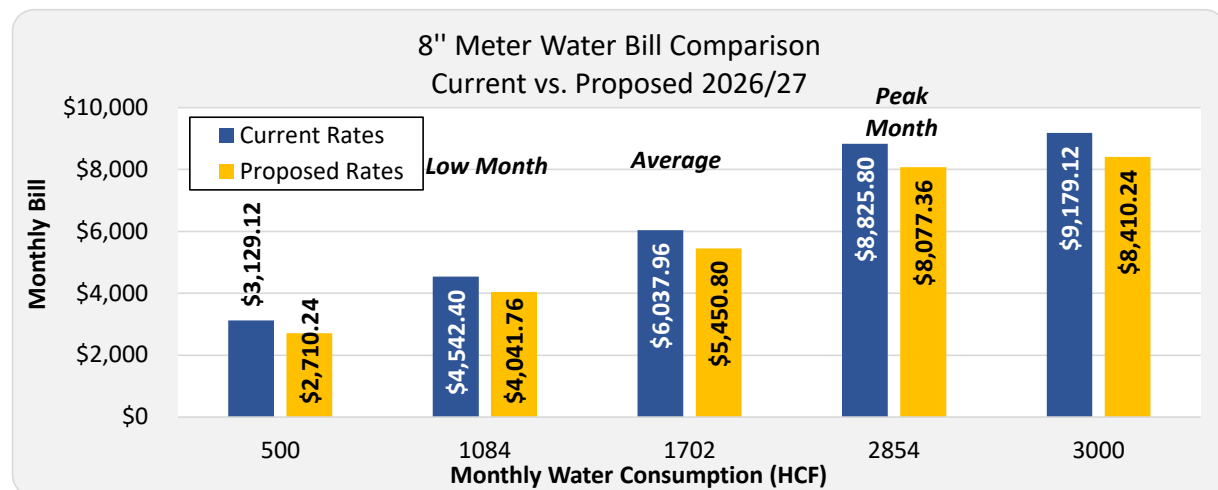


**Victorville Water District**  
**Sample Water Bill Comparisons**

**Figure 13**  
**Bill Comparison, 6-inch Meter**



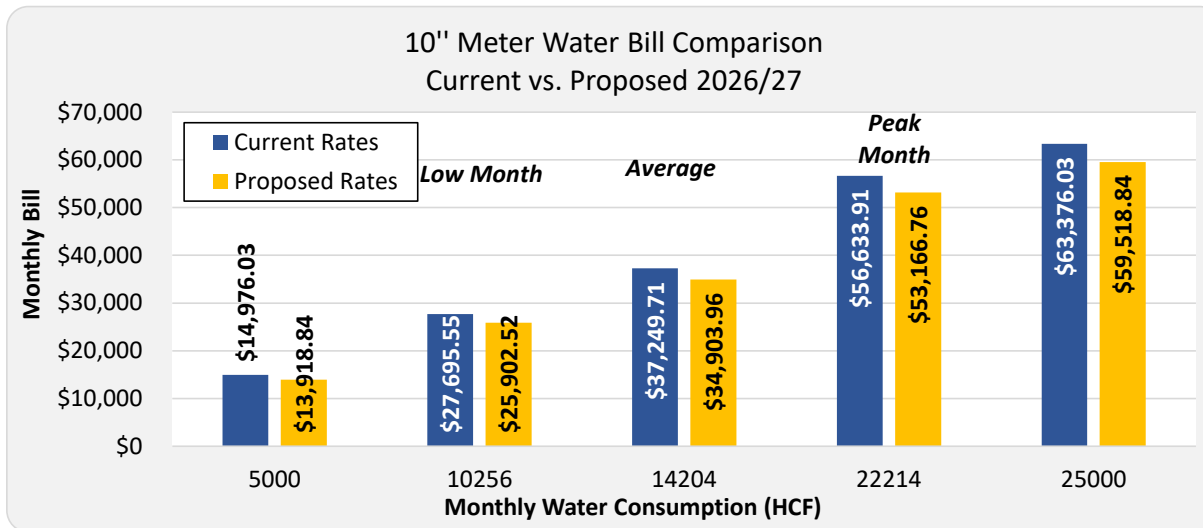
**Figure 14**  
**Bill Comparison, 8-inch Meter**





Victorville Water District  
Sample Water Bill Comparisons

Figure 15  
Bill Comparison, 10-inch Meter



Victorville Water District  
Regional Water Bill Comparison

Figure 16

