

ALAMEDA COUNTY WATER DISTRICT

43885 So. Grimmer Boulevard
Fremont, CA 94538

FINANCE & ADMINISTRATION COMMITTEE

AGENDA

Tuesday, February 17, 2026

3:00 p.m.

ACCESSIBLE PUBLIC MEETINGS: Upon request, ACWD will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request at least 72 hours before the meeting to the District Secretary, ACWD, 43885 S. Grimmer Blvd., Fremont, CA 94538, or to marian.hsu@acwd.com stating your name, mailing address, phone number, and brief description of the requested materials and preferred alternative format or auxiliary aid or service.

Members of the public may participate in this meeting in person at the District office located at 43885 South Grimmer Boulevard, Fremont or via webinar or teleconference. In person meetings are the primary format for the District's Committee meetings. The District desires to accommodate remote participation by the public, therefore as a courtesy and technology permitting, the public will have the opportunity to fully participate in the meeting via zoom webinar. However, the District cannot guarantee that the public's remote access to any meeting will be uninterrupted before or during a meeting, and technical difficulties may occur from time to time. In those instances, so long as the public may attend the meeting in person, the meeting may be held or continue. Members of the public desiring to provide comments as a part of the meeting are encouraged to either submit written comments prior to the meeting or to attend the meeting in person.

To participate via webinar, use the following link: <https://us02web.zoom.us/j/86201295410?pwd=KwvjXHEyrlX0Nnn9qd3zMCAtTqldVp.1> (passcode: **218537**). To make comments or ask questions during the meeting, "raise your hand" or use the chat or Q&A feature in the zoom app at any time, or unmute and speak when invited.

To participate via teleconference, call any of the following phone numbers: 1-669-900-9128 or 1-346-248-7799 or 1-301-715-8592 followed by **862 0129 5410** (passcode: **218537**). To make comments or ask questions during the meeting, type *9 on your dial pad to "raise" or "lower" your "hand" at any time, or type *6 to mute or unmute and speak when invited.

This agenda and all accompanying materials can be viewed on the Alameda County Water District website at: www.acwd.org.

1. Public Comments
2. Grants Program Report
Presenter: Ethan Burch, Senior Administrative Analyst
3. Pension and Other Post Employment Benefits Funding Policy
Presenter: Calvin Cho, Accounting & Treasury Manager
4. Income Statement
Presenter: Calvin Cho, Accounting & Treasury Manager
5. Budget Report
Presenter: Jon Wunderlich, Director of Finance & Administration



2025 Grant Funding A Year In Review

LESSONS LEARNED

- Federal funding was paused. Changes in administration can significantly affect availability of federal funds.
- California Proposition 4 Climate Bond was delayed but will provide significant grant funding over several years. Strategize priority projects to align with climate focus and grant timelines.

Project Schedules – Critical

- FEMA funding award for Decoto Reservoir may take up to 3 years; integrate with project schedule.
- Track and engage with Prop 4 guidelines and rollout to be released in 2026

PROJECT SPECIFIC FUNDING RESEARCH

Primary focus is on “mission critical projects,” large capital projects, and unfunded planning

- Decoto Reservoir Seismic Improvements
- PFAS Treatment
- Cybersecurity
- Desalination Treatment Optimization
- Heavy Duty Electric vehicles rebate
- Removal of Non-functional Turf – Commercial properties
- Alameda Creek and Lake Del Valle Climate Variability Analysis
- Electrical battery backup assets
- Brackish Water Well
- Cedar Project



GRANT PROJECT IMPLEMENTATION

- **FEMA/CalOES Hazard Mitigation Grant Program for the Alvarado Niles Pipeline Seismic Improvement Project**
\$12 million grant award, \$402,445 received to date
- **SWRCB Proposition 1 Brackish Groundwater Grant Program for the Brackish Groundwater Reclamation Project**
\$2,205,094 award, \$25,523 received to date
- **Alameda Creek Fish Passage Projects**
Post-project reporting to grant agencies on projects’ successes



GRANT MONITORING & TRACKING

- Researched 12 grant programs
- Continuing to monitor 24 state and federal grants



APPLICATIONS SUBMITTED

- FEMA/CalOES Building Resilient Infrastructure and Communities Grant (Full Subapplication), Decoto Reservoir Seismic Improvements - Program cancelled
- FEMA/CalOES Hazard Mitigation Grant Program (Full Subapplication), Decoto Reservoir Seismic Improvements
- Google Water Efficiency & Quality Infrastructure Projects - not selected

STRATEGIC FUNDING PLANNING - 2026

- California Proposition 4 Climate Bond - \$10 billion of state funding for drinking water, flood, and more
- Advocate for projects during Prop 4 guidelines development
- Pursue state grant funds utilizing climate focus
- Integrate Water Resources Master Plan Update projects in funding planning
- Recommend complete a full DWSRF EC application package for PFAS funding

Federal Funding

- Federal funding is less stable in current administration
- Continue to track and consider federal funds

Alameda County Water District

Pension & OPEB Funding Policy

*Establishing a Sustainable Framework for
Long-Term Financial Health*

February 17, 2026

Presenter: Calvin Cho, Accounting & Treasury Manager

Purpose and Objectives



Sustainability

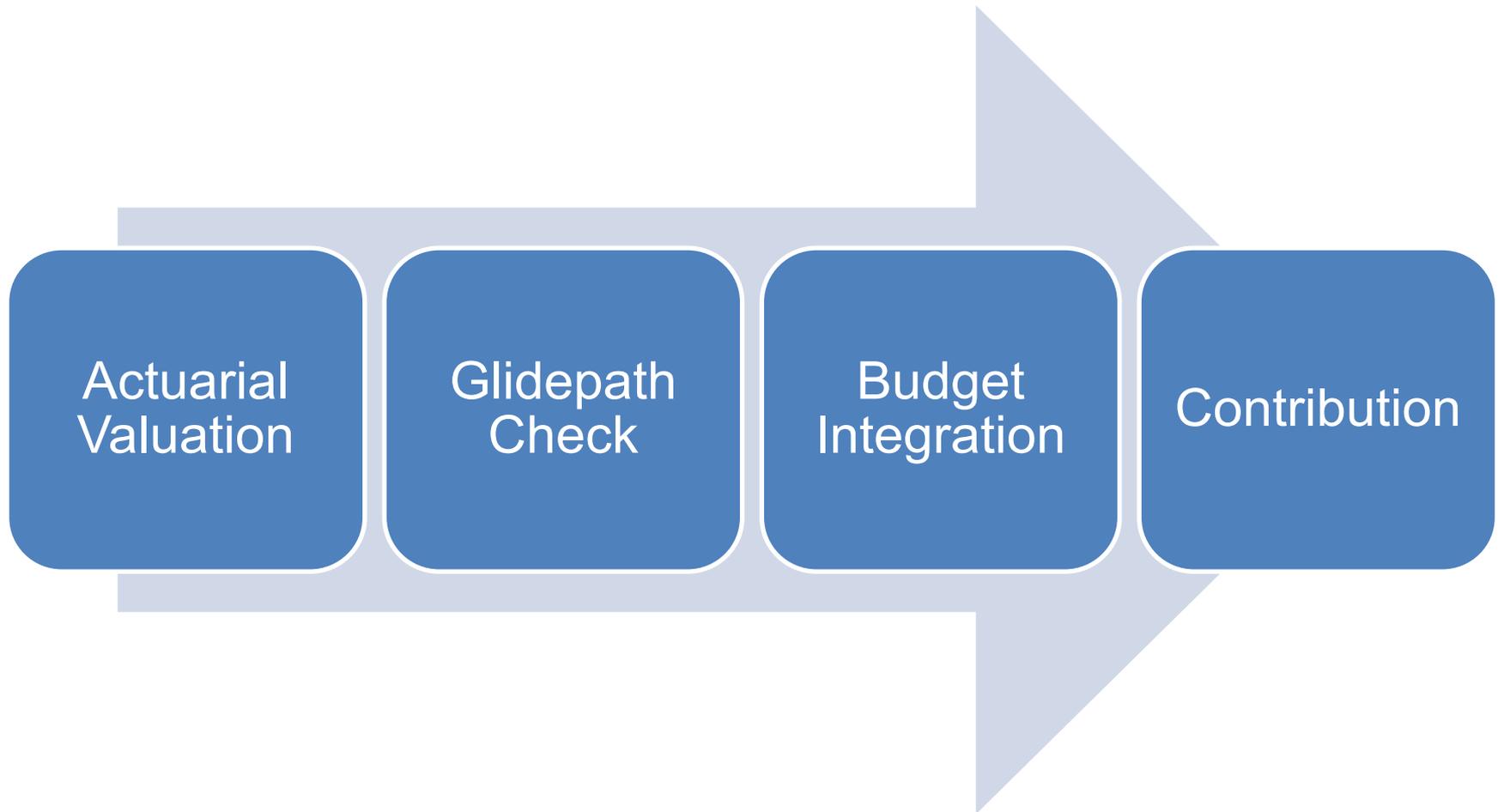


Transparency

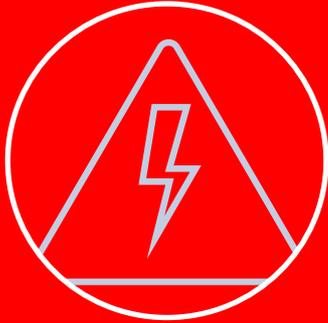


Strategy

Workflow – The Pension Funding Process



Decision Tree – Dynamic Triggers (The Glidepath Rule)



Red
(Catch-Up)



Green
(Sustainability)



Blue
(De-Risking)

Pension vs. OPEB Strategy Comparison

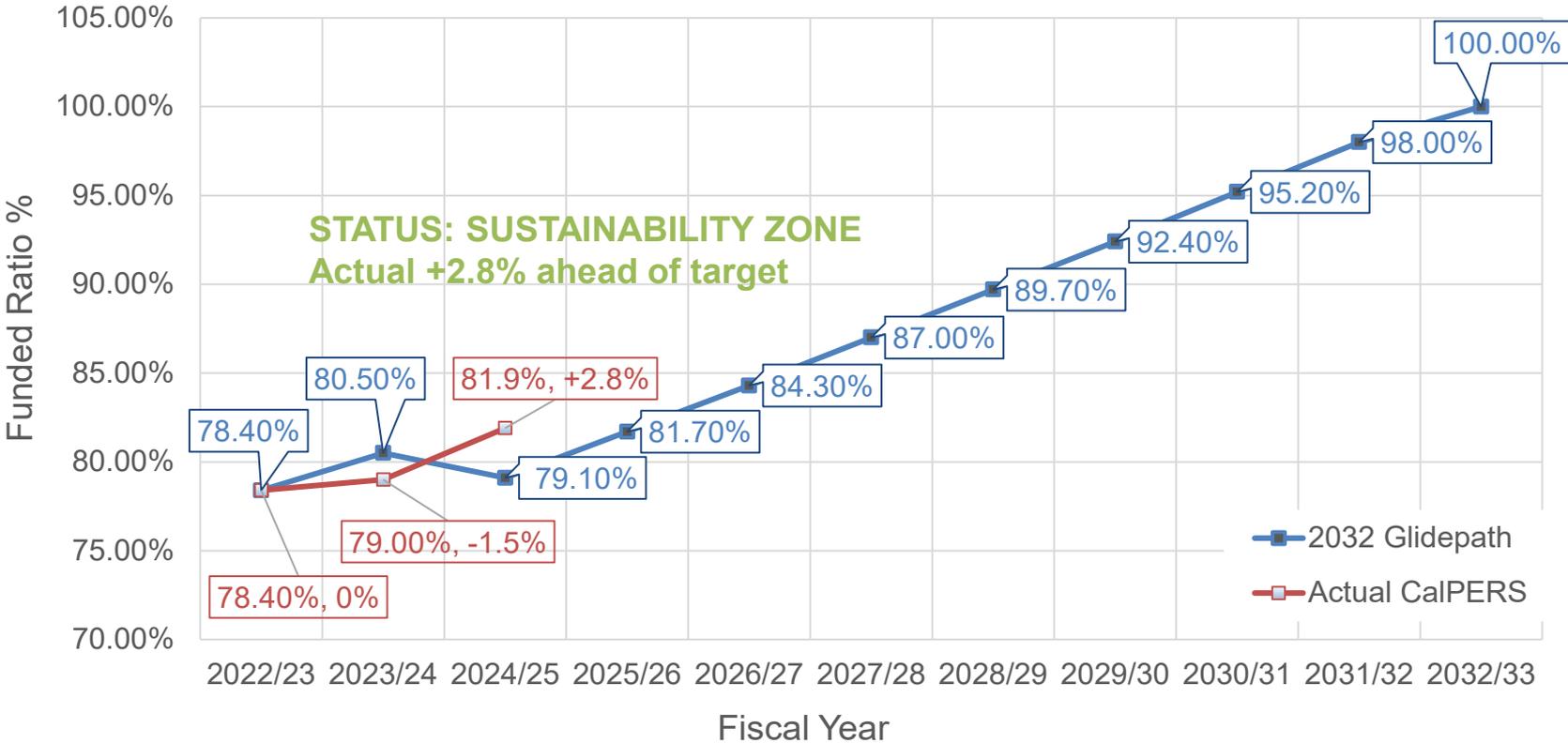
Feature	Pension (CalPERS)	OPEB (CERBT)
Target Date	100% Funded by 2032 (Fixed Date)	
Trigger Band	+/- 5%	+/- 10%
Ceiling Policy	Superfunding Allowed (>100%)	Capped at 100%: ADPs cease once fully funded.
Maintenance	Section 115 smoothing.	

Post – 2032 Maintenance Phase

- **Objective:**
 - Shift from "Debt Reduction" to "Volatility Management."
- **Mechanism:**
 - Use Section 115 Stabilization Trust to offset rate spikes.
- **Goal:**
 - Keep employer contributions stable as a percentage of payroll.

Annual Reporting

Pension Funded Status: 2032 Glidepath vs Actual CalPERS
(with percentage point difference labels)



Note: Labels indicate the percentage point difference between Actual and Glidepath.

Thank you

Questions

www.acwd.org

 [@AlamedaCountyWD](https://twitter.com/AlamedaCountyWD) 

Pension and OPEB Funding Policy

1. Purpose and Objectives

The purpose of this Pension and OPEB Funding Policy (the “Policy”) is to establish a disciplined, transparent, and sustainable framework for funding the District’s pension and other post-employment benefit (OPEB) obligations. This Policy is intended to:

- Ensure the long-term financial sustainability of pension and OPEB benefits;
- Promote intergenerational equity by allocating costs to the periods in which services are provided;
- Reduce long-term costs and contribution volatility;
- Provide guidance for biennial budgeting and long-term financial planning; and
- Enhance transparency to the Board of Directors, employees, retirees, and the public.

This Policy is designed to be consistent with applicable state law, CalPERS requirements, GASB standards, and best practices observed among California public agencies.

1.1 Definitions

Additional Discretionary Payment (ADP): Contributions made by the District in excess of the actuarially determined or required contributions for pension or OPEB obligations, funded from available discretionary resources, and applied in accordance with this Policy.

Above-Normal Cost: The portion of the District’s annual contribution to pension or OPEB obligations that exceeds the actuarially determined normal cost or required contribution for the current year and is applied toward accelerated amortization of unfunded liabilities or advancement of the District’s fixed-date funding objectives.

Glidepath: A projected, year-by-year funding trajectory designed to achieve a specified funded ratio by a defined target date, based on adopted actuarial assumptions, planned contribution levels, and expected investment performance.

Acceleration Plan: A set of recommended actions presented to the Board when the District falls materially behind its adopted Glidepath, which may include one-time

contributions, adjustments to Above-Normal Cost funding levels, or other discretionary measures intended to restore progress toward the District's fixed-date funding goal.

2. Scope of Policy

This Policy applies to the District's:

- **Pension benefits** provided through the California Public Employees' Retirement System (CalPERS); and
 - **Other Post-Employment Benefits (OPEB)**, primarily retiree health benefits, prefunded through the California Employers' Retiree Benefit Trust (CERBT), administered by CalPERS.
-

3. Governance and Roles

- **Board of Directors:** Adopts this Policy, establishes funding goals, and considers discretionary contributions consistent with this Policy.
- **Management:** Implements this Policy through the biennial budget, long-term financial planning, and coordination with actuaries and CalPERS.
- **Actuaries:** Provide actuarial valuations and projections based on assumptions adopted by CalPERS or approved by the Board, as applicable.

Nothing in this Policy creates a legally binding obligation beyond those required by law, CalPERS contracts, or Board-approved benefit provisions.

4. Pension Funding Policy (CalPERS)

4.1 Funding Objective

The District's objective is to fund pension benefits in a manner that ensures the full payment of benefits to retirees while maintaining contribution stability and minimizing long-term costs.

4.2 Required Contributions

The District shall annually budget and pay **100% of the actuarially determined employer contribution** as required by CalPERS, including normal cost and unfunded accrued liability (UAL) payments.

4.3 Actuarial Assumptions

Pension funding is based on actuarial assumptions, methods, and amortization schedules adopted by the CalPERS Board and reflected in the most recent CalPERS actuarial valuation reports. The District does not independently set pension actuarial assumptions; however, subject to Board approval the District may set different actuarial assumptions from CalPERS for purposes of determining discretionary payments.

4.4 Discretionary UAL Payments

When financially feasible, and as determined by the Board, the District may make **discretionary payments** to CalPERS to:

- Reduce long-term interest costs;
- Improve funded status;
- Mitigate future contribution volatility; and
- More closely align costs with when services were provided.

Discretionary payments may be funded from the biennial budget, one-time revenues, year-end savings, reserves (subject to Board policy), or other available resources.

Discretionary payments under this section may include contributions made after the elimination of the unfunded accrued liability (UAL), for the purpose of maintaining funded status above 100%, subject to CalPERS policies and Board direction.

4.4.1 Dynamic Contribution Triggers (The Glidepath Rule)

To ensure the District maintains its trajectory toward 100% funding by 2032, the following triggers shall guide annual budget decisions:

1. The Catch-Up Trigger (Red Zone):

- a. If the annual actuarial valuation indicates the District has fallen more than **5.0% behind** the 2032 Glidepath, Staff shall present the Board with an “Acceleration Plan.” This plan may include:
 - i. A one-time infusion, in addition to Additional Discretionary Payment (ADP), from the estimated balance remaining from the current year’s budget, within the adopted budget expense for the year.

- ii. An increase in the internal “Above-Normal Cost” premium to be added for next year’s budget.
- iii. A drawdown or redirection of Section 115 Stabilization Trust assets, if needed, to help offset the funding shortfall.

2. The Sustainability Trigger (Yellow/Green Zone):

- a. If the District is **on track** (within +/- 5% of the Glidepath), the District shall maintain its current “Above-Normal Cost” funding level. Any “budget savings” resulting from a decrease in CalPERS’ required rates shall be retained in the budget and contributed as an Additional Discretionary Payment (ADP) to prevent the amortization period from extending.

3. The De-Risking Trigger (Blue Zone):

- a. If the District reaches 95% funding or is more than **5% ahead** of the 2032 Glidepath, the Board may elect to:
 - i. Redirect ADP to a **Section 115 Pension Stabilization Trust** utilizing a conservative investment strategy with a target discount rate at least 100 basis points (1.0%) lower than the current CalPERS expected rate of return.
 - ii. Re-evaluate the 2032 target to determine if an earlier full-funding date is sustainable without impacting water rates.

4.5 Risk Management and Volatility

The District acknowledges that pension costs are subject to market and demographic risks. The District will consider pension cost volatility in its long-term financial planning and reserves strategy.

4.6 The “2032 Accelerated Track” (Pension)

In order to achieve a 100% funded status by the year 2032, the District shall adopt a funding schedule that exceeds the CalPERS-mandated minimum. The District will budget an amount based on an accelerated amortization schedule ending in 2032. If CalPERS required contributions are lower than this internal target, the difference shall be contributed as an Additional Discretionary Payment (ADP) to the UAL.

5. OPEB Funding Policy (CERBT)

5.1 OPEB Benefits and Trust

The District provides OPEB benefits primarily in the form of retiree health benefits. To prefund these obligations, the District has established an **irrevocable trust** through the California Employers' Retiree Benefit Trust (CERBT), administered by CalPERS.

Assets held in CERBT are dedicated solely to the payment of OPEB benefits and related expenses.

5.2 Funding Objective

The District's long-term objective is to **prefund OPEB obligations** to reduce future costs, improve funded status, and ensure the sustainability of retiree benefits.

5.3 Contribution Target

The District's funding goal is to contribute, over time, up to the **Actuarially Determined Contribution (ADC)** as calculated in the most recent OPEB actuarial valuation.

Recognizing budgetary constraints and competing priorities, the Board may adopt a phased or incremental approach toward full ADC funding, consistent with long-term financial planning.

5.3.1 OPEB Funding Target (Fixed Date)

The District's contribution to the CERBT shall be calculated based on an actuarial projection that achieves 100% funding by the end of Fiscal Year 2032. This 'Fixed-Date' contribution amount shall supersede the standard Actuarially Determined Contribution (ADC) if the ADC provides for a longer amortization period.

5.4 Actuarial Assumptions

OPEB actuarial valuations shall be prepared in accordance with GASB standards and based on assumptions determined to be reasonable and attainable by the District's consulting actuary. Assumptions may be updated periodically to reflect experience, changes in plan provisions, or economic conditions. Subject to Board approval the District may set different actuarial assumptions from its consulting actuary for purposes of determining discretionary payments.

5.5 Use of One-Time Resources

The Board may consider applying one-time revenues, budgetary savings, or other non-recurring resources toward OPEB prefunding contributions when financially feasible.

5.5.1 Dynamic Contribution Triggers (The Glidepath Rule)

To ensure the District maintains its trajectory toward 100% funding by 2032, the following triggers shall guide annual budget decisions:

1. The Catch-Up Trigger (Red Zone):

- a. If the annual actuarial valuation indicates the District has fallen more than **10.0% behind** the 2032 Glidepath, Staff shall present the Board with an “Acceleration Plan.” This plan may include:
 - i. A one-time infusion, in addition to Additional Discretionary Payment (ADP), from the estimated balance remaining from the current year’s budget, within the adopted budget expense for the year.
 - ii. An increase in the internal “Above-Normal Cost” premium to be added for next year’s budget.
 - iii. A drawdown or redirection of Section 115 Stabilization Trust assets, if needed, to help offset the funding shortfall.

2. The Sustainability Trigger (Yellow/Green Zone):

- a. If the District is **on track** (within +/- 10% of the Glidepath), the District shall maintain its current “Above-Normal Cost” funding level. Any “budget savings” resulting from a decrease in the actuarially determined OPEB contribution shall be retained in the budget and contributed as an Additional Discretionary Payment (ADP) to prevent the amortization period from extending.

3. The De-Risking Trigger (Blue Zone):

- a. If the District reaches 90% funding or is more than **10% ahead** of the 2032 Glidepath, the Board may elect to:
 - i. Redirect ADP to a **Section 115 Pension Stabilization Trust** utilizing a conservative investment strategy with a target discount rate at least 100 basis points (1.0%) lower than the current CERBT expected rate of return.
 - ii. Re-evaluate the 2032 target to determine if an earlier full-funding date is sustainable without impacting water rates.

5.6 Limitation of Benefits

Nothing in this Policy is intended to create or imply a contractual right to OPEB benefits beyond those benefits authorized by the Board and provided in accordance with applicable law or labor agreements. OPEB benefits are subject to change pursuant to collective bargaining or changes in law.

6. Long-Term Funding Goals

Consistent with recognized best practices for California public agencies, the District establishes the following long-term goals:

- To improve and maintain the funded status of both pension and OPEB obligations over time;
- To reduce the growth of unfunded liabilities;
- To achieve greater contribution stability; and
- To align funding decisions with the District’s long-term financial plans.

Nothing in this Policy is intended to require rate increases or override the Board’s rate-setting authority.

6.1 Target Funding Horizon and Implementation

The District’s goal is to achieve **full funding for both pension and OPEB obligations by 2032**, consistent with its long-term funding policy and actuarial assumptions approved by the Board.

The achievement of the 2032 goal shall be managed through the dynamic triggers and glidepath monitoring established in Section 4.4.1 and 5.5.1 of this Policy. These triggers ensure that the District’s contribution levels remain responsive to market performance and actuarial experience while maintaining a disciplined focus on the 2032 target date.

6.2 Limitations

Achievement of this goal is subject to actual investment performance, contribution levels, actuarial experience, changes in benefits or law, and broader economic conditions, and does not constitute a legally binding commitment beyond required contributions.

6.3 Full Funding Ceilings and Superfunding

- **Pension (CalPERS):** The District acknowledges that CalPERS is subject to significant market volatility. As such, the District may elect to “superfund” (exceed 100% funded status) to create a buffer against future actuarial losses or to achieve a 100% funded ratio based on more conservative actuarial assumptions than the assumptions used by CalPERS. Even after achieving 100% funded status, the Board may elect to continue making discretionary contributions directly to CalPERS, provided such contributions are permitted under CalPERS rules, to maintain a target funding margin above 100% and reduce the risk of future unfunded liabilities.

Alternatively, or in combination, discretionary contributions may be directed to a **Section 115 Stabilization Trust** to manage contribution volatility and investment risk.

- **OPEB (CERBT):** The District’s objective is to reach, but not significantly exceed, 100% funding for OPEB. Once the OPEB plan reaches 100% funded status, Additional Discretionary Payments (ADPs) shall cease, and the District will only contribute the minimum required to maintain full funding status.

6.4 Post-2032 Maintenance Phase

Once the 100% funding objective is achieved, the District shall transition to the Maintenance Phase. The primary objective will shift from “debt reduction” to “volatility management.”

During the Maintenance Phase, the Board may utilize a combination of direct CalPERS contributions and Section 115 Stabilization Trust assets to manage funded status and contribution volatility.

The District will:

- Continue to monitor the funded status annually against a 100% baseline.
- Use the Section 115 Stabilization Trust, if needed, to offset any future rate spikes, aiming to keep District employer contributions stable as a percentage of payroll.
- Re-evaluate the investment strategy of any Section 115 assets to ensure they align with the District’s long-term risk tolerance and liquidity needs for benefit payments.

During the Maintenance Phase, minor deviations below 100% funding are expected due to market fluctuations.

- For Pension, deviations within +/- 5% of 100% funded (matching the Yellow/Green trigger bands in Section 4.4.1) will be considered normal, and Section 115 Stabilization Trust may be used to smooth contributions.
- For OPEB, deviations within +/- 10% of 100% funded (matching the Yellow/Green trigger bands in Section 5.5.1) will be considered normal, and Section 115 assets applied similarly.

If deviations are sustained or exceed these thresholds, the Catch-Up Trigger framework will guide corrective actions to restore the funded status, prioritizing Section 115 assets before new budget contributions.

7. Transparency and Reporting

The District will disclose pension and OPEB information in its annual budget, Annual Comprehensive Financial Report (ACFR), and other financial reports, consistent with GASB requirements. Actuarial valuation results and significant changes in assumptions or funding levels shall be communicated to the Board.

7.1 2032 Glidepath Reporting

To monitor progress toward the 2032 full funding objective, the District shall include a “Funding Glidepath” in its budget presentation to the Board. This report shall disclose:

- 1. Target Funded Ratio:** The projected funding percentage based on the actuarial assumptions set by the Board for the current year required to reach 100% by 2032.
- 2. Actual Funded Ratio:** The current funded status as reported by CalPERS/Actuary.
- 3. The Funding Gap:** The difference between the target and actual.
- 4. Projected Full-Funding Year:** An updated estimate of when 100% funding will be achieved based on current contribution levels and market performance.

8. Policy Review and Amendments

This Policy shall be reviewed at least every **year**, or more frequently if warranted by:

- Significant changes in actuarial results;
- Changes in law or CalPERS requirements; or
- Direction from the Board.

The Board of Directors retains the authority to amend or repeal this Policy at any time.

Alameda County Water District			
Statements of Revenues, Expenses and Changes in Net Position			
(In thousands)			
	As of Period 7 (Jan 2026) of FY25-26	As of Period 7 (Jan 2025) of FY24-25	Change
OPERATING REVENUES:			
Water sales	68,058	67,523	536
Facilities connection charges	5,572	949	4,622
Fees and rental	440	288	151
Other	41	143	(102)
Total operating revenues	74,111	68,904	5,207
OPERATING EXPENSES:			
Sources of supply:			
Water purchases	21,397	21,528	(131)
Pumping	1,451	1,337	114
Other	6,464	6,728	(265)
Total sources of supply	29,312	29,594	(281)
Water treatment	9,991	9,445	546
Transmission and distribution	10,712	8,033	2,679
Administration of customer accounts	3,117	2,764	353
Administration and general	15,941	13,238	2,704
Depreciation and amortization	13,159	10,128	3,032
Total operating expenses	82,232	73,201	9,031
Operating income (loss)	(8,121)	(4,297)	(3,824)
NONOPERATING REVENUES (EXPENSES):			
Investment income (incl. year end fair market value adj)	1,845	6,512	(4,667)
Property taxes	8,429	8,526	(98)
Other nonoperating revenues (expenses)	2,727	471	2,255
Gain (loss) on disposal of capital assets	5	(83)	89
Cost of issuance expense (1)	(25)	(25)	-
Interest expense	(1,707)	(1,084)	(623)
Total nonoperating revenues (expenses)	11,274	14,318	(3,044)
Income (loss) before capital contributions	3,153	10,020	(6,868)
Capital contributions	563	1,154	(591)
Changes in net position - favorable (unfavorable)	3,716	11,175	(7,459)
NET POSITION			
Beginning of fiscal year	682,113	644,259	37,854
End of current period	\$ 685,829	\$ 655,434	\$ 30,395
Notes:			
(1) Cost of issuance expense includes financing fees related to the letter of credit			

ALAMEDA COUNTY WATER DISTRICT

BUDGET REPORT

Month Ending January 31, 2026

Year to Date Percentage 58.33%

	FY 2025-26			FY 2024-25		FY 2025-26 vs FY 2024-25	
	Adopted Budget	Year to Date Total	Percent of Budget	Amended Budget	Prior Year to Date (PYTD)	Incr (Decr) From PYTD	% Change From PYTD
BEGINNING CASH BALANCE	\$ 172,950,000	\$ 171,297,720		\$ 175,889,000	\$ 174,691,039	\$ (3,393,318)	-1.9%
REVENUE							
Water Revenue							
Service Charges	47,999,000	28,322,185	59.0%	46,935,000	27,255,256	1,066,929	3.9%
Commodity Charges	86,046,000	54,284,223	63.1%	81,536,000	54,661,770	(377,548)	-0.7%
Ground Water Revenue	634,000	311,129	49.1%	631,000	217,338	93,791	43.2%
1% Tax Allocation	9,316,000	4,938,539	53.0%	8,445,000	4,721,537	217,002	4.6%
State Water Contract Tax	7,348,000	3,630,397	49.4%	6,452,000	3,901,256	(270,858)	-6.9%
Interest Revenue	4,729,000	3,075,891	65.0%	3,753,000	1,540,160	1,535,731	99.7%
Facilities Connection Charges - FIF	1,680,000	3,725,960	221.8%	4,621,000	638,760	3,087,200	483.3%
Facilities Connection Charges - FRF	820,000	1,845,813	225.1%	2,679,000	310,705	1,535,108	494.1%
Customer Capital Contributions	3,619,000	2,008,914	55.5%	4,093,000	1,948,805	60,109	3.1%
Grants, Reimbursements	6,515,000	133,662	2.1%	1,078,000	1,145,569	(1,011,907)	-88.3%
Other Revenue	9,092,000	10,324,164	113.6%	1,316,000	1,267,464	9,056,700	714.6%
TOTAL REVENUE	177,798,000	112,600,877	63.3%	161,539,000	97,608,619	14,992,258	15.4%
EXPENSES							
Source of Supply							
Water Purchases	40,104,000	20,033,941	50.0%	41,665,000	25,280,987	(5,247,046)	-20.8%
Operation of Supply System	14,254,000	7,284,785	51.1%	13,581,000	6,707,273	577,512	8.6%
Pumping	2,938,000	1,657,642	56.4%	2,586,000	1,535,095	122,546	8.0%
Water Treatment	19,495,000	10,456,383	53.6%	19,532,000	9,939,858	516,525	5.2%
Transmission & Distribution	17,510,000	11,024,460	63.0%	16,053,000	9,766,809	1,257,651	12.9%
Customer Accounts	5,646,000	3,168,701	56.1%	5,232,000	2,839,777	328,923	11.6%
Administrative & General*	28,200,000	27,582,949	97.8%	25,518,000	25,516,139	2,066,810	8.1%
Expense Projects	2,948,000	1,703,850	57.8%	4,121,000	2,798,610	(1,094,761)	-39.1%
TOTAL EXPENSES	131,095,000	82,912,710	63.2%	128,288,000	84,384,548	(1,471,839)	-1.7%
CAPITAL EXPENDITURES	61,095,000	22,888,822	37.5%	58,290,000	38,640,470	(15,751,647)	-40.8%
CUSTOMER CAPITAL CONTRIBUTIONS	3,619,000	1,868,038	51.6%	4,093,000	1,699,053	168,984	9.9%
DEBT SERVICE	7,888,000	2,046,544	25.9%	7,646,000	1,301,748	744,796	57.2%
TOTAL EXPENSES & CAPITAL EXPENDITURES	203,697,000	109,716,114	53.9%	198,317,000	126,025,819	(16,309,706)	-12.9%
NET OF REVENUE & EXPENSES	(25,899,000)	2,884,763		(36,778,000)	(28,417,200)	31,301,964	-110.2%
Debt Proceeds	-	-		30,000,000	-	-	0.0%
Reconciling Time Difference		(250,084)			(855,495)	605,410	-70.8%
ENDING CASH BALANCE							
General Fund (GF)	88,079,000	107,528,717		99,015,000	77,629,407	29,899,310	38.5%
Facilities Improvement Fund (FIF)	58,971,000	66,403,682		70,095,000	67,788,937	(1,385,255)	-2.0%
Facilities Renewal Fund (FRF)	-	-		-	-	-	0.0%
	\$ 147,050,000	\$ 173,932,399		\$ 169,111,000	\$ 145,418,344	\$ 28,514,056	19.6%

* Administrative & General includes full CalPERS UAL prepayment (\$4.5m), OPEB UAAL (\$2.8m), pension advanced funding (\$6.7m), and OPEB Normal Cost (\$1.3m)

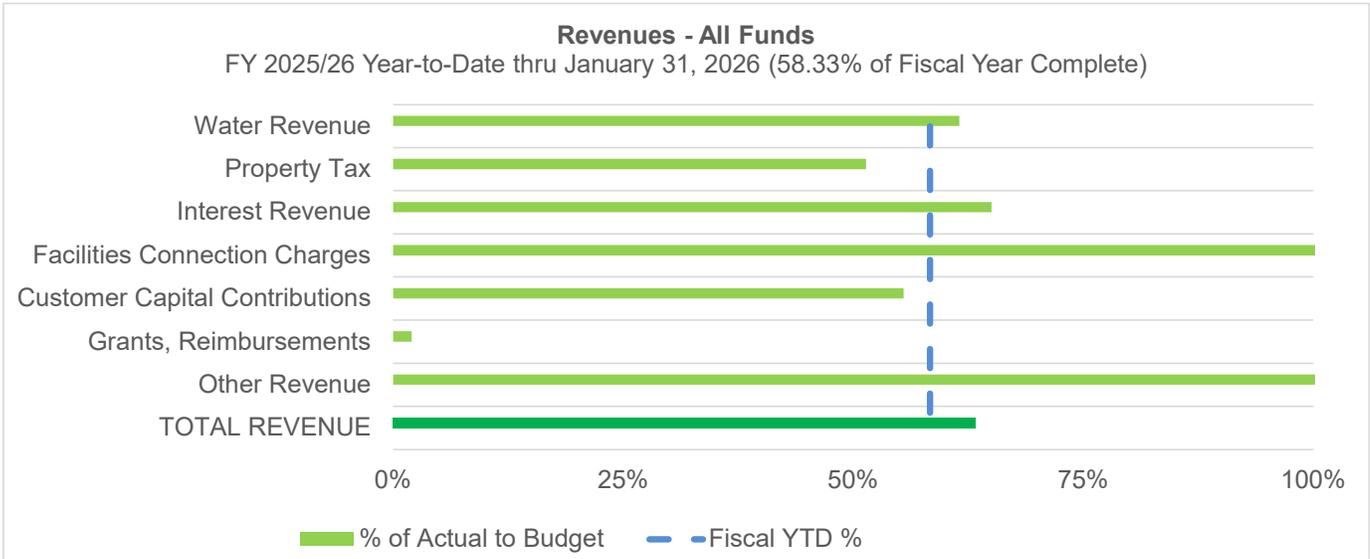
ALAMEDA COUNTY WATER DISTRICT
RESERVE REPORT

Month Ending January 31, 2026

	FY 2025-26			FY 2024-25		
	Year to Date Total	Adopted Budget	Benchmark	Actual 6/30/2025	Amended Budget	Benchmark
ENDING CASH BALANCE						
<u>RESERVE:</u>						
Management Retirement Bonus *	\$ 491,000	\$ 701,000	\$ 491,000	\$ 701,000	\$ 701,000	\$ 701,000
Emergency	10,000,000	\$ 10,000,000	10,000,000	10,000,000	\$ 10,000,000	10,000,000
Operations & Maintenance (O&M)	33,511,000	\$ 33,511,000	33,511,000	32,118,000	\$ 32,118,000	32,118,000
Capital	20,605,000	\$ 15,552,000	20,605,000	17,240,000	\$ 15,552,000	15,552,000
Rate Stabilization Reserve	6,819,000	\$ 6,819,000	6,819,000	7,474,000	\$ 7,474,000	7,474,000
General Fund Reserves	71,426,000	66,583,000	71,426,000	67,533,000	65,845,000	65,845,000
Capital Projects Sinking Fund	29,584,717	14,978,000		33,162,566	28,067,000	
Operations Contingency Fund	6,518,000	6,518,000		5,104,000	5,104,000	
Total General Fund Balance	107,528,717	88,079,000		105,799,566	99,016,000	
Facilities Improvement Fund Reserve	66,403,682	58,971,000		65,498,155	70,095,000	
Facilities Renewal Fund Reserve	-	-		-	-	
Total District	<u>\$ 173,932,399</u>	<u>\$ 147,050,000</u>		<u>\$ 171,297,720</u>	<u>\$ 169,111,000</u>	

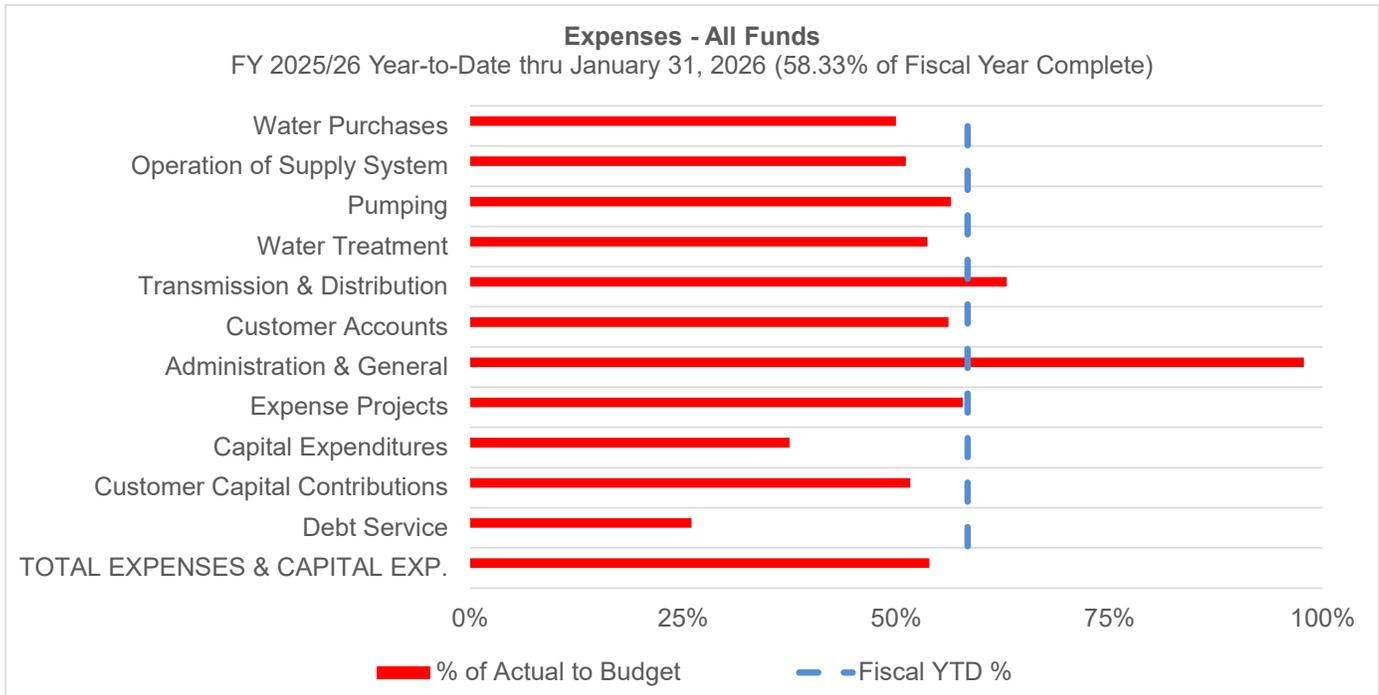
*Note: Management Retirement Bonus Reserve Benchmark updated to actual per latest actuarial report.

**ALAMEDA COUNTY WATER DISTRICT
BUDGET REPORT**



Revenues

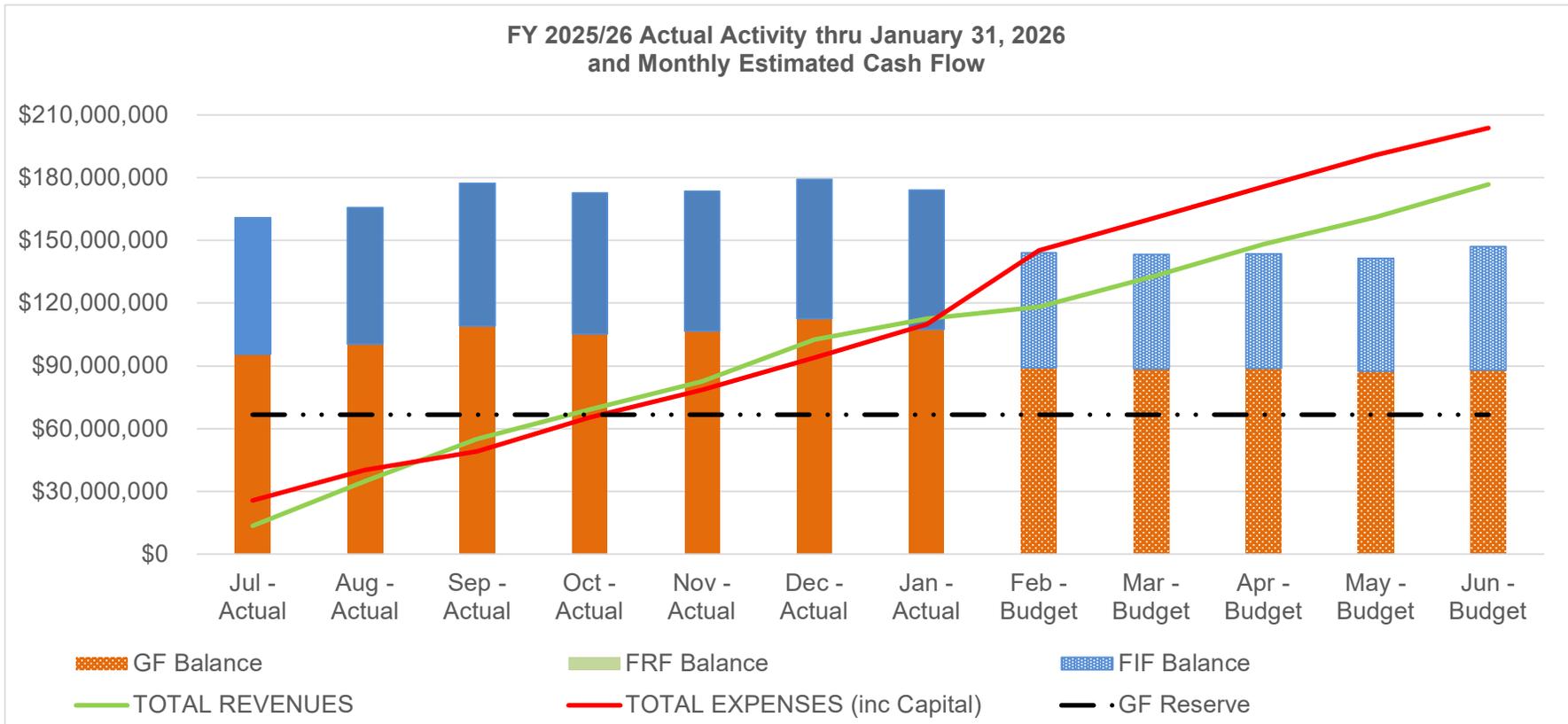
Water revenues are the District's major revenue source. In general, these revenues track budget throughout the fiscal year. Property taxes are received in two installments (December and April) each year, with a supplemental payment in June. Facilities Connection Charges, Customer Capital Contributions, and Grants and Reimbursements are project specific and subject to the timelines of the developer/customer. Grants are used to reimburse the District for qualifying project expenses. Other Revenue includes property lease, well permit application, settlement and miscellaneous other revenues.



Expenses

Operating expenses generally progress evenly across the fiscal year. Administration & General has high activity early on in the fiscal year because the District prepays its annual pension and OPEB expenses each year in July. Expense projects, capital expenditures, and customer capital contributions are all project specific and subject to their own schedules. Debt service on outstanding debt is paid according to debt schedules -- interest is paid in December and June, and principal is paid in June.

ALAMEDA COUNTY WATER DISTRICT
BUDGET REPORT



This chart illustrates estimated monthly cash flows for the current FY 2025/26. As each fiscal month is completed, the data is updated for actual activity. Expenses are budgeted higher than revenues this year since we are expecting to spend down cash balances in order to fund capital projects. June Budget matches the District's approved annual budget, since this is where the District intends to end the fiscal year.

Revenues

Monthly water revenues are estimated based on 17 prior years of actual monthly activity. Monthly property tax revenues are based on 10 prior years of monthly activity. All other revenues are straightlined (estimated by multiplying the budgeted amount by the percentage of the fiscal year completed).

Expenses

All monthly expenses have been straightlined except Administrative & General, which always has high activity at the beginning of each fiscal year because the District prepays its annual Pension and OPEB expenses in July. The main estimated monthly expense variance is typically related to Capital Expenditures, Expense Projects, and Customer Capital Contributions since these are subject to individual project schedules.