CHESTER PUBLIC UTILITY DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 467

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHESTER PUBLIC UTILITY DISTRICT ADOPTING AMENDMENT NO. 2 TO THE FISCAL YEAR 2026-27 BUDGET

WHEREAS, by Resolution No. 460, adopted September 22, 2026, the Board of Directors adopted the District's Final Budget for Fiscal Year 2026-27; and

WHEREAS, by Resolution No. 464 (Alternative B), adopted October 2, 2026, the Board adopted Amendment No. 1 to that budget for Change Order No. 1 to the Superior Tank Solutions emergency repair contract; and

WHEREAS, the District intends to install the water meters funded through its pending United States Department of Agriculture Rural Development application using District part-time employees rather than an installation contractor, and the cost of that labor is not presently appropriated; and

WHEREAS, the California Governor's Office of Emergency Services has removed the non-federal cost-share requirement for Subaward No. 2024-0090 under the Federal Fiscal Year 2024 State and Local Cybersecurity Grant Program, so that the $107,143 cost share appropriated in Fiscal Year 2027-28 is no longer required; and

WHEREAS, Section 3020.110 of District Policy 3020 requires that amendments to the adopted budget be approved by resolution of the Board; and

WHEREAS, the Board considered this matter at its duly noticed regular meeting held October 27, 2026;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Chester Public Utility District as follows:

Section 1. Recitals. The foregoing recitals are true and correct and are incorporated into this Resolution.

Section 2. Water Meter Installation Labor. The Water Fund budget is amended to appropriate $33,416.71 in Fiscal Year 2026-27 and $33,416.71 in Fiscal Year 2027-28 for part-time District labor to install water meters, allocated as follows: $22,925.00 each year to account 50200 Wages — WS Operations; $1,753.76 each year to account 60300 Payroll Taxes; $183.40 each year to account 60500 Unemployment Taxes; $1,054.55 each year to account 60600 Compensation Insurance; and $7,500.00 each year to account 50450 Repairs as a non-wage project contingency. These amounts are set out in Exhibit A, attached hereto and incorporated herein by this reference, and are built up on the Meter Install Labor tab of the amended budget workbook.

Section 3. Conditions on Expenditure. No funds appropriated under Section 2 shall be expended until the classification performing the work is on a publicly available pay schedule that complies

with Cal. Code Regs. tit. 2, § 570.5. If that condition is not satisfied, the appropriation is not spent and does not lapse into any other use without a further budget amendment.

Section 4. Facility Maintenance — Materials. Account 50500 Maintenance is amended for Fiscal Year 2026-27 to increase the Water Fund from $5,575 to $13,575, an increase of $8,000, and the Wastewater Fund from $3,409 to $18,409, an increase of $15,000. The increase funds materials for District building and facility work performed in house by the Policy 2330 classification. Work that restores an asset to its existing condition is expensed to this account; roof replacement and water and wastewater infrastructure improvements are capital and are not appropriated here. Internal labor is capitalized to a self-constructed asset only with the prior approval of the General Manager. These amounts are set out in Exhibit A.

Section 5. Cybersecurity Grant Cost Share. The Water Fund budget is amended to reduce account 60820 Grant Expenses — Misc. from $107,143 to $0 in Fiscal Year 2027-28, and to $0 in each subsequent year of the five-year projection. The line is retained at zero so the change is visible on the face of the budget. This amount is set out in Exhibit A.

Section 6. Non-Dollar Corrections Ratified. The Board ratifies the non-dollar corrections recorded on the Amendment Log tab of the amended budget workbook, being the renaming of account 61300 to Contracted Services, the addition of general ledger account codes to nine budget lines that carried an appropriation without a code, a section header correction on the Water Fund, the deletion of an unlabeled row from the Water Fund and the corresponding correction to the cash-basis formula, and the correction of the Fire Fund CalPERS lines from retired account 60325 to account 60327. None of these corrections moves an appropriation.

Section 7. Remaining Provisions Unchanged. Except as expressly amended by this Resolution and by Resolution No. 464, the Fiscal Year 2026-27 Budget adopted by Resolution No. 460 remains in full force and effect.

Section 8. Effective Date. This Resolution shall take effect immediately upon adoption.

Signature Page for Resolution No. 467

PASSED AND ADOPTED by the Board of Directors of Chester Public Utility District at a regular meeting of the Board held on October 27, 2026. The Board Clerk called the roll, and each Director voted as recorded below.

DIRECTOR	AYE	NO	ABSTAIN	ABSENT
Stephen Graffweg (Chair)	X			
Kimberly Green	X			
Justin Bottini	X			
Rick Paulsen	X			
Tami Tharpe	X			

TOTAL — AYES: 5 NOES: 0 ABSTAIN: 0 ABSENT: 0

Stephen Graffweg, Board Chair
Chester Public Utility District

Date: October 27, 2026

ATTEST:

Kelly Sanders, Board Clerk
Chester Public Utility District

Date: October 27, 2026

EXHIBIT A — BUDGET AMENDMENT

FY 2026-27 Final Budget Amendment No. 2 (District Policy 3020, Section 3020.110). Adopted amounts are those in effect after Resolution No. 460 and Resolution No. 464.

1. Water Fund — Water Meter Installation Labor

Account and line	Adopted	Change	Amended
50200 Wages — WS Operations, FY 2026-27	$124,420	+$22,925	$147,345
60300 Payroll Taxes, FY 2026-27	$13,784	+$1,754	$15,538
60500 Unemployment Taxes, FY 2026-27	$1,442	+$183	$1,625
60600 Compensation Insurance, FY 2026-27	$8,289	+$1,054	$9,343
50450 Repairs — project contingency, FY 2026-27	$27,232	+$7,500	$34,732

Same amounts are appropriated in FY 2027-28. Total cost to the Water Fund: $33,416.71 in each of FY 2026-27 and FY 2027-28. Funding source: water enterprise fund operating revenue.

2. Facility Maintenance — Materials, FY 2026-27

Account and line	Adopted	Change	Amended
Water Fund, 50500 Maintenance	$5,575	+$8,000	$13,575
Wastewater Fund, 50500 Maintenance	$3,409	+$15,000	$18,409

Total $23,000. Carried in FY 2026-27 only. Funding source: water and wastewater enterprise fund operating revenue.

3. Water Fund — Cybersecurity Grant Cost Share, FY 2027-28

Account and line	Budgeted	Change	Revised
60820 Grant Expenses — Misc., FY 2027-28	$107,143	–$107,143	$0
60820 Grant Expenses — Misc., later projection years	$0	—	$0

Cal OES removed the non-federal cost-share requirement for Subaward No. 2024-0090. The line is retained at zero so the change is visible on the face of the budget. Projection years are budget projections, not appropriations.

4. Non-Dollar Corrections Ratified

Account 61300 renamed Contracted Services in all funds; general ledger account codes added to nine budget lines that carried an appropriation without a code; a section header corrected on the Water Fund; an unlabeled row removed from the Water Fund and the cash-basis formula corrected to match; and the Fire Fund CalPERS lines moved from retired account 60325 to account 60327. No appropriation moves under any of these corrections. Each is recorded on the Amendment Log tab and summarized on the Changes from Amendment 1 tab of the amended budget workbook.

The FY 2026-27 2nd Amended Budget workbook, which gives effect to these amendments, is on file with the District, is provided to the Board with this Resolution, and carries an Amendment Log tab recording each change made by this Resolution.