

**WIEDEMANN RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
PROGRAM BUDGET FOR FISCAL YEAR 2026/27**

June 10, 2026

Wiedemann Ranch GHAD Board of Directors
Chair Candace Andersen
Vice Chair John M. Gioia
Boardmember Diane Burgis
Boardmember Ken Carlson
Boardmember Shanelle Scales-Preston

Wiedemann Ranch Geologic Hazard Abatement District
1025 Escobar Street
Martinez, CA 94553-1229

Subject: Wiedemann Ranch Geologic Hazard Abatement District
Danville, San Ramon, and Contra Costa County, California

PROGRAM BUDGET FOR FISCAL YEAR 2026/27

Dear Chair Andersen and Boardmembers:

Attached is the program budget for the Wiedemann Ranch Geologic Hazard Abatement District (GHAD) for the Fiscal Year (FY) 2026/27. The program budget, as proposed, is \$459,845. The budget expenses are broken down into the following approximate percentages of the total expenses.

- Administration and Accounting 13 percent
- Outside Professional Services..... 14 percent
- Preventive Maintenance and Operations.....71 percent
- Special Projects2 percent
- Major Repairs.....0 percent

The budget anticipates FY 2026/27 revenue of \$885,425 with an estimated increase of \$425,580 to the reserve fund. A summary of the expenses is shown in Table 3, followed by a brief description of each budget item on the following pages.

If you have any questions regarding the contents of this letter, please contact us.

Sincerely,

Wiedemann Ranch Geologic Hazard Abatement District
ENGEO Incorporated, GHAD Manager
ENGEO Project No. 3586.002.025


Haley Ralston

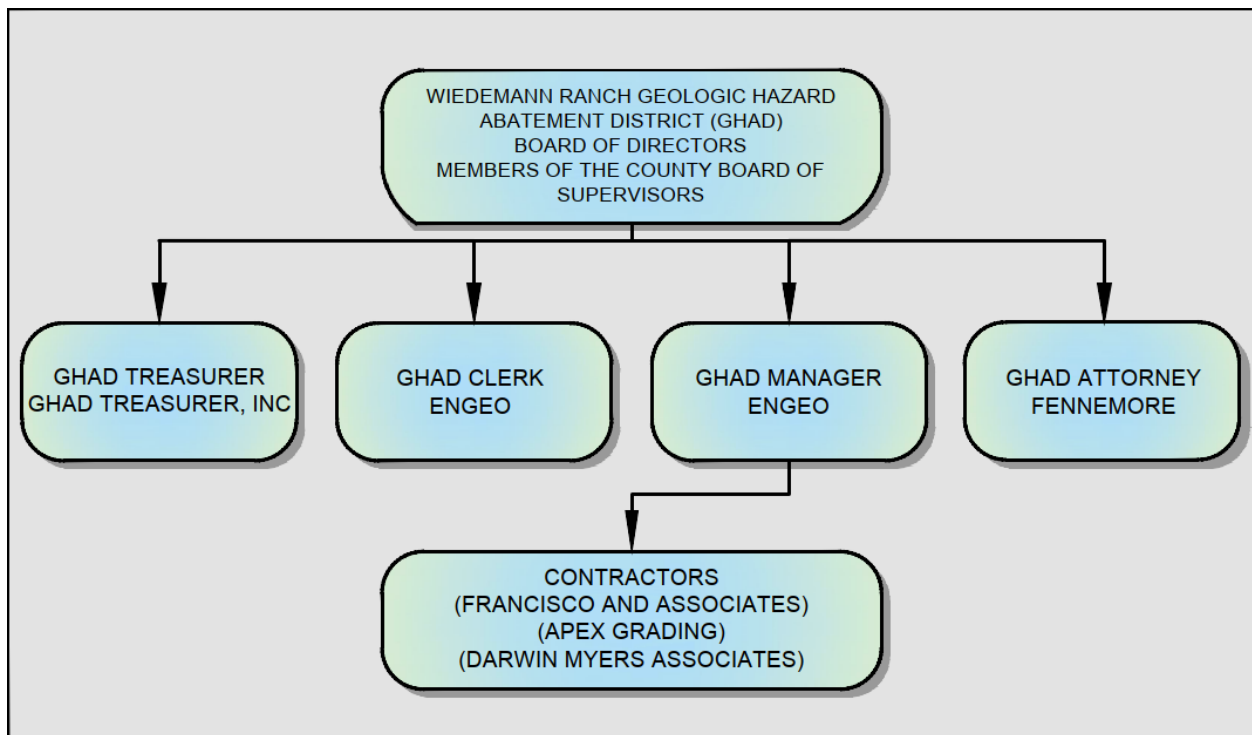

Robert H. Boeche

hjr/gh/rhb/ss

**Wiedemann Ranch Geologic Hazard Abatement District
Program Budget
Fiscal Year 2026/27**

The following budget summarizes the anticipated expenditures for Fiscal Year (FY) 2026/27 for the Wiedemann Ranch GHAD, which currently includes the Henry Ranch, Norris Canyon Estates, Elworthy Ranch, Red Hawk (Podva), and Magee Preserve developments. For FY 2026/27, we have budgeted for GHAD responsibilities within these developments, with the exception of the Magee Preserve development. The Magee Preserve development was annexed into the Wiedemann Ranch GHAD on July 13, 2021, with the adoption of Resolution No. 2021/03, and approved an assessment on October 3, 2023, with the adoption of Resolution 2023/07. The Magee Preserve development will be eligible to transfer GHAD-related responsibilities during FY 2026/27 and, therefore, may receive services from the GHAD within FY 2026/27.

The structure of the Wiedemann Ranch GHAD is shown below.



The fiscal year for the Wiedemann Ranch GHAD begins on July 1. The budget is divided into four categories including Administration and Accounting, Preventive Maintenance and Operations, Special Projects, and Major Repair. As needed, the GHAD Manager may reallocate funds without additional Board approval.

The annual assessment limits are as follows in Table 1.

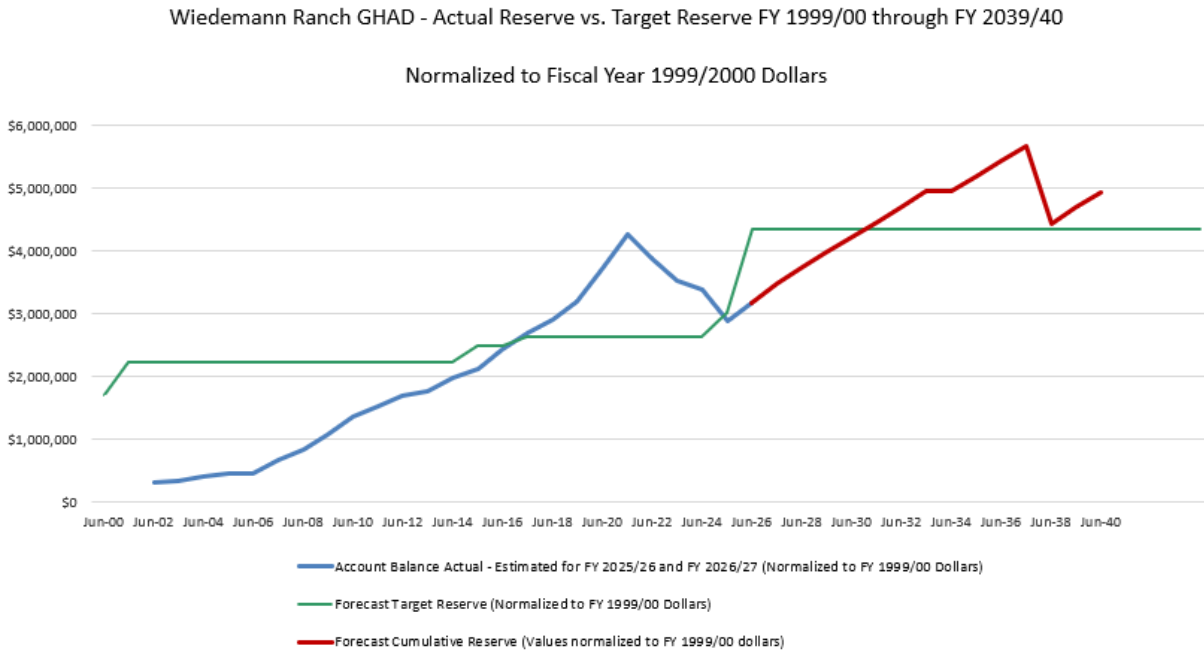
TABLE 1: Actual CPI Adjustments and Assessment Limit for Single-Family Residential Properties

| FISCAL YEAR | INDEX DATE | SAN FRANCISCO -OAKLAND-HAYWARD CPI (JUNE /JUNE) | ANNUAL ASSESSMENT LIMIT | | | | |
|-------------|------------|---|-------------------------|-------------|----------------|------------|----------------|
| | | | NORRIS CANYON ESTATES | HENRY RANCH | ELWORTHY RANCH | REDHAWK | MAGEE PRESERVE |
| 1999/00 | | - | \$550.00 | | | | |
| 2000/01 | 6/30/2000 | 4.22% | \$573.22 | \$555.00 | | | |
| 2001/02 | 6/30/2001 | 6.61% | \$611.11 | \$591.69 | | | |
| 2002/03 | 6/30/2002 | 1.18% | \$618.29 | \$598.65 | | | |
| 2003/04 | 6/30/2003 | 1.60% | \$628.18 | \$608.22 | | | |
| 2004/05 | 6/30/2004 | 1.41% | \$637.03 | \$616.79 | | | |
| 2005/06 | 6/30/2005 | 1.06% | 643.80 | \$623.34 | | | |
| 2006/07 | 6/30/2006 | 3.93% | \$669.10 | \$647.84 | | | |
| 2007/08 | 6/30/2007 | 3.38% | \$691.71 | \$669.73 | | | |
| 2008/09 | 6/30/2008 | 4.19% | \$720.70 | \$687.80 | | | |
| 2009/10 | 6/30/2009 | 0.23% | \$722.34 | \$699.38 | | | |
| 2010/11 | 6/30/2010 | 1.07% | \$730.08 | \$706.88 | | | |
| 2011/12 | 6/30/2011 | 2.43% | \$747.80 | \$724.03 | | | |
| 2012/13 | 6/30/2012 | 2.64% | \$767.51 | \$743.12 | | | |
| 2013/14 | 6/30/2013 | 2.56% | \$787.13 | \$762.12 | | | |
| 2014/15 | 6/30/2014 | 3.00% | \$810.75 | \$784.99 | \$1,360.00 | | |
| 2015/16 | 6/30/2015 | 2.29% | \$829.32 | \$802.96 | \$1,391.14 | | |
| 2016/17 | 6/30/2016 | 2.67% | \$851.48 | \$824.42 | \$1,428.31 | \$2,395.00 | |
| 2017/18 | 6/30/2017 | 3.48% | \$881.12 | \$853.12 | \$1,478.04 | \$2,478.39 | |
| 2018/19 | 6/30/2018 | 3.91% | \$915.56 | \$866.46 | \$1,535.80 | \$2,575.24 | |
| 2019/20 | 6/30/2019 | 3.22% | \$944.99 | \$914.96 | \$1,585.18 | \$2,658.03 | |
| 2020/21 | 6/30/2020 | 1.62% | \$960.27 | \$929.75 | \$1,610.80 | \$2,701.00 | |
| 2021/22 | 6/30/2021 | 3.15% | \$990.56 | \$959.08 | \$1,661.62 | \$2,786.21 | |
| 2022/23 | 6/30/2022 | 6.80% | \$1,057.91 | \$1,024.29 | \$1,774.59 | \$2,975.64 | |
| 2023/24 | 6/30/2023 | 2.88% | \$1,088.37 | \$1,053.78 | \$1,825.68 | \$3,061.31 | \$2,690.00 |
| 2024/25 | 6/30/2024 | 3.24% | \$1,123.60 | \$1,087.89 | \$1,884.78 | \$3,160.41 | \$2,791.33 |
| 2025/26 | 12/31/2024 | 2.38% | \$1,150.33 | \$1,113.78 | \$1,929.62 | \$3,235.60 | \$2,857.74 |
| 2026/27 | 12/31/2025 | 3.04% | \$1,177.70 | \$1,140.27 | \$1,975.53 | \$3,312.58 | \$2,925.72 |

The GHAD is funded through real property assessments. The assessment limits are adjusted annually on December 31 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumer Price Index (CPI) for All Urban Consumers for the previous 12 months. The December CPI is typically published in mid-January. The final assessment roll prepared for the 2025/26 fiscal year and submitted to the Contra Costa County Assessor's Office identifies 576 parcels subject to the levy of the GHAD assessment. Thirteen apartment units are located within the Elworthy Ranch development on a single assessor's parcel. Graph 1 compares the actual and forecast cumulative reserve amounts against the forecast target reserve amount normalized to FY 1999/2000 dollars. The forecast target reserve amount was set

with the first Engineer’s Report for the Norris Canyon Estates development and increased with the Henry Ranch, Elworthy, Red Hawk, and Magee Preserve development annexations in 2001, 2015, 2017, and 2021, respectively. In April 2025, the GHAD prepared a reserve study adjusting the target reserve amount to approximately \$4,300,000 in 1999/2000 dollars. The GHAD reserve is intended to fund unanticipated expenses that may occur, which is represented by the troughs in the forecast reserve trendline in Graph 1.

Graph 1: Cumulative Reserve



The GHAD has exceeded the target reserve rate of accumulation forecast in the approved Engineer’s Reports for the Norris Canyon Estates, Henry Ranch, Elworthy Ranch, and Red Hawk Developments. The excess revenue is primarily due to the delays in transferring Plan of Control responsibilities from original developers to the GHAD, and lower than anticipated expenses within each development within the GHAD.

We have in this budget, and may in future budgets, recommend an annual levy amount less than the assessment limit if the following conditions are met.

- Unencumbered reserve funds collected from within a development exceed the target reserve amount estimated in the approved Engineer’s Report or unencumbered reserve funds collected from a development exceed the target reserve.
- Reserve funds collected from within a development exceed the dollar amount estimated for a large-scale repair.
- Plan of Control responsibilities have been transferred from the developer to the GHAD.

As the above conditions have been met for the Norris Canyon Estates, Henry Ranch, Elworthy Ranch, and Red Hawk developments within the GHAD, we are recommending, and the budget prepared provides that the residential parcel levy for FY 2026/27 be set at 60 percent of the CPI-adjusted assessment limit for each development to cover annual maintenance and operation

costs and maintain a cumulative reserve near the target reserve. The levies for the Norris Canyon Estates, Henry Ranch, Elworthy Ranch, and Red Hawk developments for FY 2026/27 will be \$706.62, \$684.16, \$1,185.32, \$592.66 (Elworthy Ranch apartment units), and \$1,987.55, respectively. The assessment levy for the residential parcels within the Magee Preserve development will remain at the CPI-adjusted assessment limit of \$2,925.72, as the above conditions have not yet been met for the Magee Preserve development.

Table 2 shows the estimated revenue for FY 2026/27 within the Norris Canyon Estates, Henry Ranch, Elworthy Ranch, Red Hawk, and Magee Preserve developments.

TABLE 2: Anticipated Revenue for FY 2026/27

| | FY 2026/27 ESTIMATE |
|-----------------------|----------------------------|
| Assessment Revenue | \$679,425 |
| Investment Income | \$206,000 |
| Total Revenues | \$885,425 |

In general, the budget amounts listed are based on the Engineer's Reports approved by the Wiedemann Ranch GHAD Board of Directors in 2001 for the Norris Canyon Estates and Henry Ranch developments, in 2014 for the Elworthy Ranch development, and in 2016 for the Red Hawk (Podva) development. The budget amounts have been inflation adjusted to provide the estimates.

ADMINISTRATION AND ACCOUNTING

Administrative expenses include the GHAD Manager's duties related to the operation and administration of the GHAD. These include clerical and accounting functions performed by the GHAD Clerk and Treasurer.

PREVENTIVE MAINTENANCE AND OPERATIONS

Preventive maintenance and operations include professional services, slope stabilization services, and erosion protection within the District. Professional services include site monitoring events as scheduled in the GHAD Plan of Control. Slope stabilization and erosion protection responsibilities include the open-space slopes and creek channels. GHAD-maintained improvements generally include the District's slopes, concrete-lined drainage ditches, retaining walls, subsurface drainage facilities, monitoring instruments including settlement monitoring devices, storm drain facilities, and the creek channels.

SPECIAL PROJECTS

The Special Projects category allows the GHAD to budget for projects beneficial to the GHAD that are not included in one of the other three categories. Special projects can include items such as global positioning system (GPS)/geographic information system (GIS) development for GHAD maintained improvements, website development and maintenance, and reserve studies to reevaluate the financial condition of the GHAD.

MAJOR REPAIR

Included within the major repair category are those repair or improvement projects that are intermittent and, by their nature, do not fit within a scheduled maintenance program. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. For the purposes of this budget, we define major repairs as those estimated at over \$250,000.

TABLE 3: Summary of Use of Funds

| | FY 2025/26 ESTIMATE* | FY 2025/26 BUDGET | FY 2026/27 PROPOSED | PERCENT CHANGE FROM FY 2025/26 |
|---|-------------------------|----------------------|------------------------|--------------------------------------|
| Administration and Accounting | | | | |
| Administration and Accounting (GHAD Manager) | \$51,060 | \$51,060 | \$52,560 | |
| Annual Reporting/Budget Preparation (GHAD Manager) | \$6,700 | \$6,700 | \$6,900 | |
| Subtotal | \$57,760 | \$57,760 | \$59,460 | 2.9% |
| Assessment Roll and Levy Update | \$2,825 | \$2,750 | \$3,000 | |
| Contra Costa County Assessor's Fees | \$800 | \$800 | \$800 | |
| California Association of GHADs Membership | \$254 | \$255 | \$255 | |
| GHAD Treasurer | \$35,000 | \$35,000 | \$39,000 | |
| GHAD Legal Counsel | \$5,000 | \$15,000 | \$15,000 | |
| Insurance – General Liability | \$8,000 | \$8,000 | \$8,400 | |
| Transfer Services | \$0 | \$0 | \$0 | |
| Subtotal | \$51,879 | \$61,805 | \$66,455 | 7.5% |
| Preventive Maintenance and Operations - Maintenance Contractor | | | | |
| Sediment Removal from Drainage Ditches | \$10,610 | \$10,610 | \$13,930 | |
| Detention Basin Maintenance | \$9,600 | \$16,350 | \$19,100 | |
| Vegetation Management | \$9,575 | \$11,000 | \$12,500 | |
| Access Roadway Maintenance | \$3,500 | \$3,500 | \$5,300 | |
| Open Space Maintenance | \$10,000 | \$10,400 | \$10,400 | |
| Subdrain Maintenance | \$3,600 | \$17,000 | \$22,000 | |
| Slope Stabilization | \$6,420 | \$55,000 | \$60,000 | |
| Erosion Control | \$10,552 | \$65,000 | \$85,000 | |
| Biological Services | \$2,945 | \$7,000 | \$7,000 | |
| Subtotal | \$66,802 | \$195,860 | \$235,230 | 20.1% |
| Preventive Maintenance and Operations – Professional Services (GHAD Manager) | | | | |
| Scheduled Monitoring Events | \$37,100 | \$37,100 | \$38,200 | |
| Heavy Rainfall Monitoring Event | \$1,902 | \$8,000 | \$8,000 | |
| Sediment Removal from Drainage Ditches | \$1,985 | \$2,000 | \$2,800 | |
| Detention Basin Maintenance | \$1,408 | \$2,000 | \$3,800 | |
| Vegetation Management | \$2,000 | \$2,000 | \$2,500 | |
| Access Roadway Maintenance | \$435 | \$600 | \$1,000 | |
| Open Space Maintenance | \$1,334 | \$2,000 | \$2,000 | |

| | FY 2025/26 ESTIMATE* | FY 2025/26 BUDGET | FY 2026/27 PROPOSED | PERCENT CHANGE FROM FY 2025/26 |
|-------------------------|----------------------|-------------------|---------------------|--------------------------------|
| Subdrain Maintenance | \$2,717 | \$3,000 | \$4,400 | |
| Slope Stabilization | \$6,278 | \$11,000 | \$12,000 | |
| Erosion Control | \$6,240 | \$13,000 | \$17,000 | |
| Subtotal | \$61,399 | \$80,700 | \$91,700 | 13.6% |
| Special Projects | | | | |
| GIS | \$6,000 | \$6,000 | \$6,000 | |
| Website Maintenance | \$1,000 | \$1,000 | \$1,000 | |
| Reserve Study | \$0 | \$0 | \$0 | |
| Subtotal | \$7,000 | \$7,000 | \$7,000 | 0.0% |
| Major Repairs | | | | |
| Subtotal | \$0 | \$0 | \$0 | 0% |
| Total | \$244,672 | \$403,125 | \$459,845 | 13.6% |

* Fiscal Year 2025/26 Estimate includes expenses to date and anticipated expenses through June 30, 2026.

A summary of the proposed Fiscal Year 2026/27 Budget is shown in Table 4.

TABLE 4: Summary of Proposed Fiscal Year 2026/27 Budget

| BUDGET ITEM | BUDGET AMOUNT | PERCENT OF TOTAL BUDGET (FY 2026/27) |
|--|------------------|--------------------------------------|
| Administration | | |
| Administration and Accounting- GHAD Manager | \$52,560 | |
| Annual Reporting/Budget Preparation- GHAD Manager | \$6,900 | |
| Subtotal | \$59,460 | 13.0% |
| Assessment Roll and Levy Update Preparation | \$3,000 | |
| Alameda County Assessor's Fees | \$800 | |
| California Association of GHADs Membership | \$255 | |
| GHAD Treasurer | \$39,000 | |
| GHAD Legal Counsel | \$15,000 | |
| Insurance – General Liability | \$8,400 | |
| Transfer Services | \$0 | |
| Subtotal | \$66,455 | 14.5% |
| TOTAL | \$125,915 | 27.5% |
| Preventive Maintenance and Operations | | |
| <i>Maintenance and Operations - Maintenance Contractor</i> | | |
| Sediment Removal from Drainage Ditches | \$13,930 | |
| Detention Basin Maintenance | \$19,100 | |
| Vegetation Management | \$12,500 | |
| Access Roadway Maintenance | \$5,300 | |
| Open Space Maintenance | \$10,400 | |
| Subdrain Maintenance | \$22,000 | |

| BUDGET ITEM | BUDGET AMOUNT | PERCENT OF TOTAL BUDGET (FY 2026/27) |
|--|--------------------|--------------------------------------|
| Slope Stabilization | \$60,000 | |
| Erosion Control | \$85,000 | |
| Biological Services | \$7,000 | |
| Subtotal | \$235,230 | |
| <i>Monitoring Services – GHAD Manager</i> | | |
| Open Space Scheduled Monitoring Events | \$38,200 | |
| Heavy Rainfall Monitoring Event | \$8,000 | |
| Subtotal | \$46,200 | |
| <i>Maintenance and Operations Oversight – GHAD Manager</i> | | |
| Sediment Removal from Drainage Ditches | \$2,800 | |
| Detention Basin Maintenance | \$3,800 | |
| Vegetation Management | \$2,500 | |
| Access Roadway Maintenance | \$1,000 | |
| Open Space Maintenance | \$2,000 | |
| Subdrain Maintenance | \$4,400 | |
| Slope Stabilization | \$12,000 | |
| Erosion Control | \$17,000 | |
| Subtotal | \$45,500 | |
| TOTAL | \$326,930 | 71.0% |
| Special Projects | | |
| GIS | \$6,000 | |
| Website Maintenance | \$1,000 | |
| Reserve Study | \$0 | |
| TOTAL | \$7,000 | 1.5% |
| Major Repairs | | |
| Contracted Services | \$0 | |
| Professional Services | \$0 | |
| TOTAL | \$0 | 0% |
| ESTIMATED EXPENDITURES | TOTAL | \$457,895 |
| ESTIMATED RECEIVABLES | | |
| Beginning Balance | | |
| Balance (July 1, 2025) | \$5,897,725 | |
| Estimated FY 2025/26 Revenue | | |
| Assessment Revenue | \$580,761 | |
| Investment Income | \$182,242 | |
| Estimated 2025/26 Expenses | | |
| Estimated Expenses | \$244,839 | |
| ESTIMATED RESERVE ON JUNE 30, 2026 | \$6,415,888 | |
| Estimated 2026/27 Revenue | | |

| BUDGET ITEM | BUDGET AMOUNT | PERCENT OF TOTAL BUDGET (FY 2026/27) |
|---|--------------------|--------------------------------------|
| Estimated FY 2026/27 Assessment Revenue | \$679,425 | |
| Estimated FY 2026/27 Investment Income | \$206,000 | |
| Estimated 2026/27 Expenses | | |
| Expenses through June 30, 2027 | \$459,845 | |
| ESTIMATED RESERVE ON JUNE 30, 2027 | \$6,841,468 | |

Special Condition 1(e) of the approved Consulting Services Agreement provides that a payment limit shall be determined each fiscal year by a resolution of the GHAD Board. For fiscal year 2026/27 (July 1, 2026, through June 30, 2027), the payment limit is set at \$158,160. The tasks included within the payment limit are listed in Table 5.

TABLE 5: Payment Limit

| TASK | AMOUNT |
|--|------------------|
| Administration and Accounting | \$52,560 |
| Annual Report and Budget Preparation | \$6,900 |
| Monitoring Services | \$46,200 |
| Maintenance and Operations Oversight | \$45,500 |
| Special Projects (GPS, Website, and Reserve Study) | \$7,000 |
| Major Repairs | \$0 ¹ |
| TOTAL | \$158,160 |

¹Dependent on maintenance and/or repair activities by the GHAD during FY 2026/27. ENGE0 payment limit is estimated at up to 20% of the total budget item.

ADMINISTRATION AND ACCOUNTING

Administration

Administrative expenses include the GHAD Manager’s duties related to the operation and administration of the GHAD. The budget estimates for the accounting and administrative services are derived from the original GHAD budget used to prepare the GHAD’s Engineer’s Report.

Annual Report and Budget Preparation

This budget provides for the preparation of the annual report and budget. The budget estimates for the accounting and administrative services are derived from the original GHAD budget used to prepare the GHAD’s Engineer’s Report.

Assessment Roll and Levy Update

This budget item allows for preparation of the assessment roll for the GHAD and the updated levy based on the Consumer Price Index adjustment.

County Assessor's Fees

This budget item anticipates fees from the Contra Costa County Assessor's Office when placing the assessment levy on the property tax bills.

Association Membership

The GHAD maintains membership in the California Association of GHADs.

Treasurer

This budget item accounts for fees related to investment of the GHAD reserve funds and processing of accounts payable. This budget item allows the GHAD to hire a treasurer for the GHAD as provided under Resolution 2008/01 adopted on November 18, 2008. As budgeted, half of the estimated cost is for the Treasurer services and half for the investment advisor services.

Legal Counsel

This budget item allows the GHAD to secure legal counsel for the GHAD as provided under Resolution 2008/01 adopted on November 18, 2008. The duties of the legal counsel may include but not be limited to preparation or review of contracts, grant deeds, right of entry, and board resolutions.

Insurance

The GHAD maintains general liability insurance for open-space areas within the GHAD.

Transfer Services

This budget item allows for consultation and site walk-overs for transfer of eligible parcels. We do not anticipate the GHAD to fund any transfer activities during FY 2026/27.

PREVENTIVE MAINTENANCE AND OPERATIONS

Maintenance and Operations

The budget items listed in the tables above are to provide for the maintenance of concrete-lined drainage ditches, detention basins, vegetation management, maintenance roads, debris catchment structures, litter removal, and subdrain outlets within the GHAD-accepted portions of the Wiedemann Ranch GHAD, as described in the Plans of Control for each development.

Slope Stabilization

This budget item is for minor repairs, including slope instability or erosion, which may occur during the 2026/27 fiscal year. Purchase of emergency stabilization supplies is included within this budget item.

Erosion Control

Anticipated tasks under this budget item include the repair of slope or creek erosion and removal of debris from creek channel culverts.

PROFESSIONAL SERVICES – GHAD MANAGER

Scheduled Monitoring Events

As provided in the Plan of Control, we have two scheduled monitoring events within the GHAD during each calendar year.

Heavy Rainfall Events

We budgeted for two heavy rainfall-monitoring events during the 2026/27 winter season.

Maintenance and Operations Oversight

This budget item is to allow for scheduling and coordination of general maintenance and repair operations by the GHAD Manager.

SPECIAL PROJECTS

Global Positioning System (GPS)/Geographic Information System (GIS) Development

To provide a more efficient system to capture, store, update, analyze, and display information pertaining to GHAD features (including, but not limited to, subdrains, landslides, drainage facilities, walls, or slopes), the GHAD has provided a budget item to continue development and use of a GIS database. The database facilitates the tracking of location, maintenance, and repair activities and automates the communication of this information to affected parties. We anticipate GIS database development for FY 2026/27 would include continued transition of available and pertinent information to an electronic format suitable for GIS deployment, and as necessary, field verification with GPS surveys.

Website Maintenance and Updates

To allow for greater access to information about the Wiedemann Ranch GHAD, the GHAD has provided a budget item to update and maintain the existing website.

MAJOR REPAIRS

In FY 2026/27, the GHAD does not plan to provide for construction activities for any major replacement or repair of improvements associated with the developments within the GHAD. When applicable, this budget item allows for ENGEO to provide testing and observation services during major repair activities and final reporting.