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**MSWD**  
Mission Springs Water District  
Mission Springs Water District



# ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

For Fiscal Year Ended June 30, 2025

**Mission Springs Water District**

66575 Second Street

Desert Hot Springs, CA 92240

760-329-6448

[www.ms wd.org](http://www.ms wd.org)

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***Mission Springs Water District***  
***Desert Hot Springs, California***

**Annual Comprehensive Financial Report**

For the Fiscal Year Ended June 30, 2025

Prepared by:  
Finance Department

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*Mission Springs Water District*

**Annual Comprehensive Financial Report  
For the fiscal year ended June 30, 2025**

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**TABLE OF CONTENTS**

	<u>PAGE</u>
<b>INTRODUCTORY SECTION:</b>	
Transmittal Letter .....	i
District Boundary .....	xiii
Organizational Chart .....	xiv
<b>FINANCIAL SECTION:</b>	
Independent Auditor's Report .....	1
Management's Discussion and Analysis .....	5
Basic Financial Statements:	
Statement of Net Position .....	10
Statement of Revenues, Expenses, and Changes in Net Position .....	12
Statement of Cash Flows .....	13
Notes to Financial Statements .....	15
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date .....	39
Schedule of Pension Plan Contributions .....	40
<b>SUPPLEMENTARY INFORMATION (UNAUDITED):</b>	
Schedule of Operating Expenses by Natural Classification .....	41
Schedules of Principal and Interest Repayments:	
Note Payable – Certificates of Participation – United States Department of Agriculture .....	42
Note Payable – Installment Sale Agreement – City National Bank - 2017 .....	43
Note Payable – Installment Sale Agreement – Holoman Capital Corporation .....	44
State Revolving Fund Assessment District #12, Phase IV .....	45
Note Payable – Installment Sale Agreement – City National Bank - 2013 .....	46
Note Payable – Installment Purchase Agreement .....	47
<b>STATISTICAL SECTION (UNAUDITED):</b>	
Net Position – Last Ten Fiscal Years .....	50
Changes in Net Position – Last Ten Fiscal Years .....	51
Summary of Revenues, Expenses and Changes in Net Position – Last Ten Fiscal Years .....	53
Summary of Revenues and Expenses – Last Ten Fiscal Years .....	54
Revenues by Source – Last Ten Fiscal Years .....	55
Expenses by Function – Last Ten Fiscal Years .....	56
Variable Water Rates – Last Ten Fiscal Years .....	57

# *Mission Springs Water District*

## **Annual Comprehensive Financial Report For the fiscal year ended June 30, 2025**

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### **STATISTICAL SECTION (UNAUDITED): (continued)**

Fixed Water Rates – Last Ten Fiscal Years .....	58
Water Deliveries – Last Ten Fiscal Years .....	59
Top Ten Domestic Water Customers – Current Fiscal Year and Nine Years Ago .....	60
Sewer Rates – Last Ten Fiscal Years .....	61
Wastewater Treated – Last Ten Fiscal Years .....	62
Top Ten Sewer Customers – Current Fiscal Year and Nine Years Ago .....	63
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years .....	64
Assessed Value of Taxable Property – Last Ten Fiscal Years .....	65
Net Taxable Assessed Value History – Last Ten Fiscal Years .....	66
Top Ten Property Taxpayers – Current Fiscal Year and Nine Years Ago .....	67
Computation of Legal Debt Margin – Last Ten Fiscal Years .....	68
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years .....	69
Direct and Overlapping Debt .....	70
Demographic and Economic Statistics in Riverside County – Last Ten Calendar Years .....	71
Population of Major Cities in the Coachella Valley – Last Ten Calendar Years .....	72
Top Ten Employers in Riverside County – Current Fiscal Year and Nine Years Ago .....	73
Full-Time Equivalent Employees by Department – Last Ten Fiscal Years .....	74
Water and Sewer Account Types .....	75
Operating and Capacity Indicators.....	76
Residential Water Rates Comparison.....	77
Residential Sewer Rates Comparison .....	78



# INTRODUCTORY SECTION

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## INTRODUCTORY SECTION

April 8, 2026

### To the Board of Directors and Customers of Mission Springs Water District:

Mission Springs Water District (MSWD or District) is pleased to present the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year 2024-2025, which ended June 30, 2025. The ACFR is intended to provide the Board of Directors, MSWD’s customers, the public, and interested parties with a broad financial outlook of the District. State law requires that every special district submit an audited annual financial report to the State Controller within seven months of the close of each fiscal year. In addition, debt covenants also require MSWD to submit an ACFR to the State Water Resources Control Board within 270 days after the end of each fiscal year.

MSWD staff prepared this financial report in conjunction with the Independent Auditor’s Report issued by Rogers, Anderson, Malody, & Scott, LLP, a certified public accounting firm, and they have issued an unmodified (“clean”) opinion on the District’s financial statements for the year ended June 30, 2025. The independent auditor’s report is located at the front of the Financial Section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.



## Profile of the Mission Springs Water District

### A Brief History

While prospecting for water, early homesteaders in the desert discovered the hot springs that made this area famous. It was not until 1940, however, that the first subdivisions were established and L.W. Coffee started the village that he called Desert Hot Springs.

The critical need for freshwater led residents to form a mutual water company, which eventually proved unsatisfactory. Later, a privately-owned utility, called the Desert Hot Springs Mutual Water Company, acquired its assets. But this too failed and widespread dissatisfaction led local citizens to form a publicly owned water district.

### Formation

By 1953, an election swept the new Desert County Water District into existence with a vote of 246 to 9. The new District began with 100,000 feet of pipelines, five water wells, and two reservoirs. It covered one square mile.

The District was later renamed the Mission Springs Water District (MSWD) and expanded rapidly. It absorbed parts of the Coachella Valley County Water District, the West Palm Springs Village, and San Gorgonio Mutual Water Company systems. Today, it boasts more than 1.25 million feet of pipelines, 13 water wells, and 24 reservoirs, serving an area of 135 square miles with approximately 44,000 residents.

As early as 1954, local citizens petitioned for sewer service. The cost, however, was prohibitive. But growth brought an overload to the septic systems and health hazards to the community. MSWD built the Alan L. Horton Wastewater Treatment Plant in 1972, and it has expanded four times to a treatment capacity of 2.0 million gallons of wastewater per day.

### Government

Mission Springs Water District (MSWD) is County Water District under Subsection 30000 et seq. of the California Water Code and was incorporated in 1953. MSWD is governed by a five-member, publicly elected Board of Directors. Directors are elected concurrent with the general elections every even-numbered year in their specific division. Director's terms are four years. The election of Directors alternates between three seats and two seats, respectively, every two years.



MSWD has statutory authority over water supply and provides water services to residential and commercial customers.

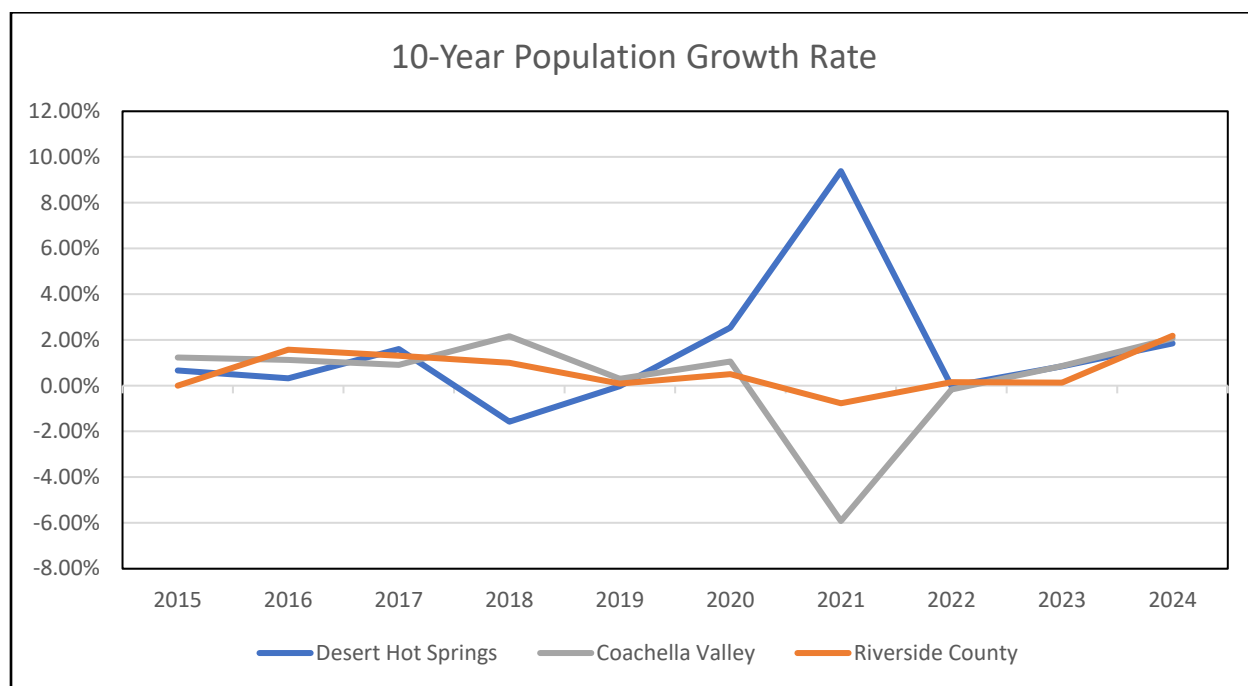
## Local Economy

The District is located on the upper side of the Coachella Valley in Riverside County, California, serving primarily the City of Desert Hot Springs and the unincorporated areas of North Palms Springs, Whitewater, and Bonnie Bell.

During the last ten fiscal years, the District’s customer base has grown slowly at approximately 0.9% per year. The largest customers in the service area are the Palm Springs Unified School District, Henry Baghdady, and Blackstar Industrial Properties.

In the latest available census data from 2024, the median value of housing in the Coachella Valley was \$380,000 and the average per capita household income was \$36,480.

The Coachella Valley consists of nine cities with the largest population in the City of Indio. Over the last ten years, the City of Desert Hot Springs has had an average annual population growth rate of 1.56%. As of December 2024, the growth rate was 1.84%, while the County of Riverside had approximately 2.18% growth in population.



According to the State of California Employment Development Department, unemployment rates in the County of Riverside were 5.3% as of December 2024. Unemployment rose rapidly in the wake of the pandemic shutdown to as high as 9.9% in 2020 but has since recovered. While unemployment rates are improving, other economic factors such as rising interest rates and high inflation create uncertainty in the future economy. Nevertheless, the local economy of Riverside County remains stable due to factors such as the increase in jobs with major industry contributors including the transportation sector, warehousing, administrative services, and health care industries.

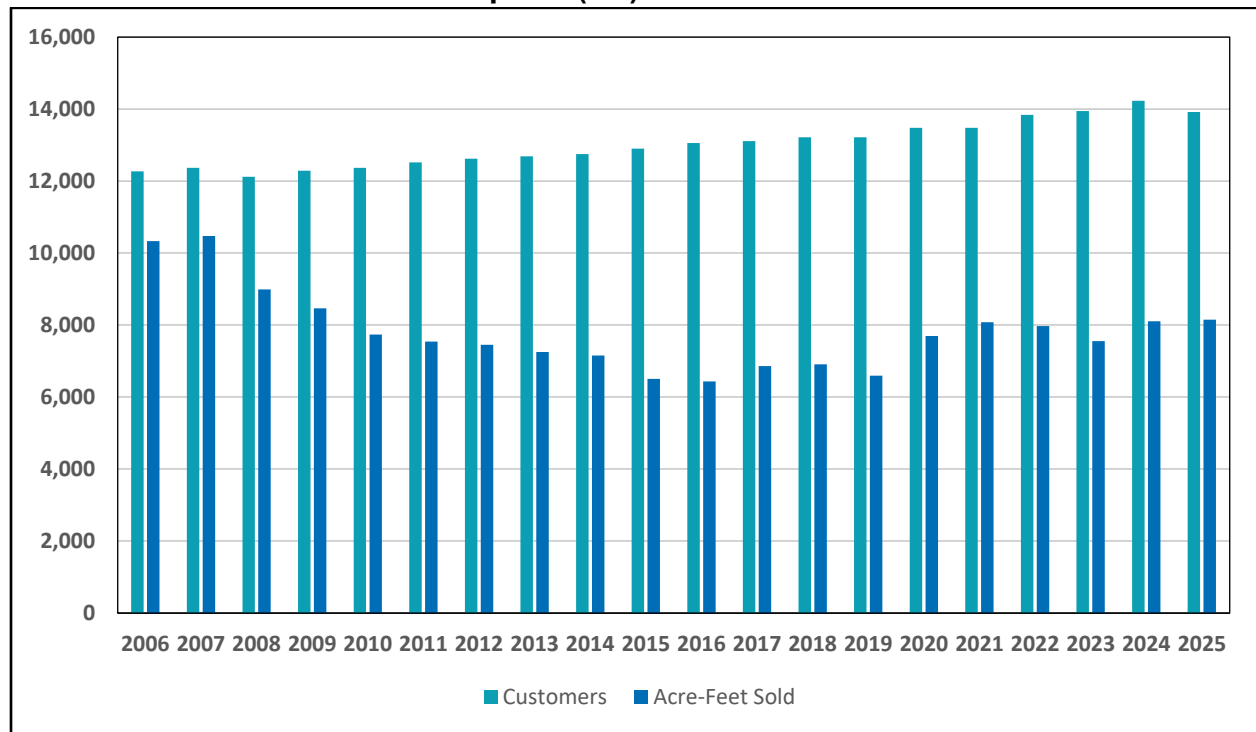
## Water Production & Distribution

Residential customers make up approximately 95% of the District’s customer base. The distribution system includes three separate and distinct community systems including West Palm Springs Village, Village Crest, and Desert Hot Springs. The largest system is the greater Desert Hot Springs service area.

MSWD’s sole source of supply for its 13,920 water accounts is groundwater. MSWD produces groundwater from the Mission Creek Subbasin, San Gorgonio Pass Subbasin, and Garnet Hill Subarea of the Indio Subbasin, in the greater Coachella Valley Groundwater Basin. As of June 30, 2025, the District’s groundwater production was 8,148 acre-feet (AF). The quality of the groundwater is remarkably high and has been awarded an unprecedented 11 medals, including best tasting municipal water in the world, at the International Water Tasting Competition in Berkeley Springs, West Virginia.

For over 70 years, MSWD has been managing groundwater through conservation, groundwater protection projects, and general stewardship of its multi-award-winning water resource. The District is, and has always been, committed to a sustainable future both in water supply and finance. As the state requires ongoing, and possibly increased regulations, through Conservation and the Sustainable Groundwater Management Act (SGMA), MSWD has responded to ensure compliance both now and in the future. Over the last 20 years, MSWD has already witnessed the beneficial effects of these efforts as total annual water consumption decreased while the total number of customers has increased.

**Annual Water Consumption (AF) vs. Total Number of Customers**



## Wastewater Collection, Treatment, & Disposal

MSWD currently serves 9,154 sewer connections. Residential customers make up approximately 97% of the District's customer base. Wastewater is treated at the Horton Wastewater Treatment Plant and the Desert Crest Wastewater Treatment Plant. MSWD treats about 2.0 million gallons per day (MGD) prior to discharging effluent in an environmentally sustainable manner. MSWD also constructed the new Nancy Wright Regional Water Reclamation Facility that became operational in February 2025. This facility continues to be the largest capital project and will serve as the long-term central wastewater treatment and reclamation facility for the region.



The District's Groundwater Quality Protection Plan (GQPP) began in 1996 and has been highly successful to date. Over \$22 million of grant funds have been secured by the District for this program which has made over 4,500 parcels sewer service ready. This includes the abatement of over 2,800 septic tanks and the installation of over 33 miles of sewer lines. The pursuit of these grant funds continues today for the disadvantaged communities served by the District.

## Water Conservation

In 2009, the California legislature passed SBx7-7 which required a statewide 20% reduction in urban per capita water use by 2020. It required that urban water retail suppliers determine baseline water use and set reduction targets according to specified requirements and required agricultural water suppliers to prepare plans and implement efficient water management practices. A combination of a population and land-use-based demand forecasting was used to project future demands in the District's service area. Based on the District's evaluation of years 1997 to 2006, the 10-year maximum per capita water use was 289.7 gallons per capita per day. In addition, based on the District's evaluation of years 2004 to 2008, the 5-year maximum per capita water use was 291.2 gallons per capita per day. To achieve a 20% reduction by 2020 as written under SBx7-7, the average per capita demand target was set at 234.9 gallons per capita per day.

From 2012 to 2017, California experienced historic drought conditions. In April 2015 the State Water Board set conservation standards for each water supplier, and based on this reduction, the District was required to set a conservation target of 32% as compared to 2013. On August 18, 2014, the Stage 1A-Drought Contingency Plan was implemented by the District. On April 27, 2015, the Stage 2-Threatened Water Supply Shortage was implemented by the District. During this time, the District also implemented a toilet replacement rebate program, a turf replacement rebate program, a conservation kit program, and multiple conservation educational programs for customers. On April 7, 2017 the Governor issued an Executive Order lifting the emergency drought declaration. By 2020, the District's maximum per capita water use was 189 gallons per capita per day, far exceeding the targeted reduction goal.

On July 19, 2021, the District adopted a Water Shortage Contingency Plan (WSCP) in conjunction with a Regional Urban Water Management Plan. In the Winter months of 2022, drought conditions in Northern California prompted the Governor to issue an Executive Order requiring the State Water Board to design and adopt emergency water conservation regulations. On May 24, 2022, the State Water Board adopted regulations that require urban water supplies to implement Level 2, at a minimum, of their Water Shortage Contingency Plans, as well as other measures. However, the regulations stop short of the one-size-fits-all philosophy by recognizing local water supply conditions, investments and conservation efforts by providers.

Making Conservation a California Way of Life is a new way of managing urban water use. The State Water Board will consider a regulation that establishes unique efficiency goals for each Urban Retail Water Supplier in California and provides those suppliers flexibility to implement locally appropriate solutions. As part of the state's all-of-the-above strategy to expand storage, develop new water supplies, and promote more efficient water use, this regulation seeks to cultivate long-term practices that help communities adapt to California's ongoing water challenges. The proposed regulation will lessen the need for the emergency water use reduction targets that were important in recent droughts. As part of the proposed regulation, urban retail water suppliers, not individual households or businesses, will be held to "urban water use objectives." An urban water use objective is the sum of standard-based budgets for a subset of water uses, such as residential outdoor use.



## Fiscal Management

### Accounting System

As required by Generally Accepted Accounting Principles (GAAP) for enterprise funds, accounts are maintained and financial statements are prepared using the economic resources measurement focus and full accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recorded when incurred, regardless of the timing of related cash flows. The District's Finance department is responsible for the overall accounting and finance functions, which include cash management, treasury and debt management, accumulation and processing of accounting information, financial reporting, and contracts administration.

### Internal Controls

MSWD's management is responsible for the establishment and maintenance of internal accounting controls that ensure assets are safeguarded and financial transactions are properly recorded and adequately documented. To ensure that the costs of controls do not exceed the benefits obtained, management uses cost estimates and judgments to attain reasonable assurance as to the adequacy of such controls. Recent audits have not uncovered any weakness in internal control that would cause concern when recommendations for improvements are made.

### Budget Process and Controls

Public agencies develop budgets as a performance tool to measure accountability to its stakeholders. For MSWD, the budget is developed based on meeting the priorities, goals and objectives established by the Board of Directors through its Strategic Business Plan (Plan), which was developed through a series of interviews with the Board of Directors, management, and key staff in addition to interviews with key stakeholders. The Plan provides direction for planning, budgeting, implementation, evaluation and reporting. The Plan is a "living" document in that it does not have a termination date, but it is constantly changing and evolving as the needs of the District change and evolve.

The budget is also used as a communication tool. Interested parties, such as bond holders, credit rating agencies, and its customers can review the budget to obtain a wide variety of information on MSWD's short- and long-term strategic planning and financial policies, as well as the current and future fiscal stability. For MSWD, the budget further demonstrates the District's commitment to fiscal responsibility and transparency of its operations. The budget shows how the agency will invest its revenues derived from user fees and fixed revenue sources to support its mission and programs.

The General Manager communicates the goals and the current year budget objectives to staff to ensure the budget includes the financial requirements necessary to achieve these goals and objectives. To ensure completion, the goals are also incorporated into each individual employee's performance goals. Furthermore, the high-level goals are also included in the monthly board General Manager's Report to reflect the commitment to meet the Board's directives.



California's Water Code requires the District to adopt a budget, approved by the board by June 30 each year, and appropriate funds accordingly. This includes adopting a Capital Improvement Plan, Employee Classification Plan and an Appropriations Limit. By Board Resolution, no transfers will be made between the operational and capital budgets.

## Financial Policies

The Board of Directors regularly adopts updated Financial Policies that provide a foundation for consistent and reliable financial management decisions and best practices, while also adhering to California State Law and District ordinances. Policies are reviewed annually to incorporate improvements in district procedures and/or legal mandates.

## Debt Management and Coverage

Senate Bill No. 1029 ("SB 1029") was passed by the California State Legislature in August 2016 and became law on September 12, 2016. It requires local agencies such as MSWD to adopt comprehensive written debt management policies reflecting local, state and federal laws and regulations. Resolution 2017-11 was approved to establish the MSWD Debt Management Policy, providing a set of comprehensive guidelines for the issuance and management of the District's debt portfolio. It also provides a list of permitted debts, including General Obligation Bonds, Certificates of Participation, JPA Revenue Bonds, and Commercial Paper. Finally, it requires that the District develop and maintain a capital finance model to evaluate the impact of capital program spending, operations and maintenance costs, and debt service on its financial condition.

## Source of Revenue

MSWD primarily receives its source of revenue from water and wastewater services, and water sales for residential, commercial, industrial, and irrigation customers. Water and Wastewater Services totaled \$10.6 million for the fiscal year ending June 30, 2025, while water sales amounted to \$9.2 million for the same period. More detailed information regarding the District's revenues is presented in the Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2025.

## Award for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the MSWD for its ACFR for the fiscal year ended June 30, 2023. This was the first year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements.



GFOA financial reporting guidelines and standards exceed the minimum disclosure requirements of state law and provide for maximum disclosure to the public. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements.

## Acknowledgements

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the service of the District's customers. The contributions made by the Finance and Accounting department deserves special recognition. We would also like to thank and recognize the members of the Board of Directors for their continued support in planning and implementation of the MSWD fiscal policies.

Respectfully submitted,

  
Brian E. Macy,  
General Manager

  
Skyler Aubrey  
Accounting Manager

## Mission Statement

Mission Springs Water District has one simple mission:  
Provide, protect, and preserve our most  
valuable resource...water.

## Board of Directors



Robert Griffith  
Vice President



Amber Duff  
President



Ivan Sewell  
Member



Russ Martin  
Member



Ted Mayrhofen  
Member

## Mission Statement, Vision, & Core Values

In 2023, MSWD initiated a formal strategic planning effort that builds on the achievements of the 2017 plan by developing a Mission Statement, an accompanying Vision Statement, and a set of Core Values for the District.

### Mission of the Mission Springs Water District

Our Mission at MSWD encapsulates the core function and intrinsic value that defines our existence. It is a simple yet robust statement, articulating our fundamental purpose and the reasons that drive our daily endeavors.

MSWD has one simple mission: We provide, protect, and preserve our most precious resource...Water!

### Vision of the Mission Springs Water District

Our Vision at MSWD serves as a compass, charting our course toward a future state that reflects our aspirations and commitment to excellence. It encapsulates not just what we aim to become but envisions the success we strive for and the positive transformations we aim to bring to all those we serve.

**Trust:** Our vision at MSWD is to build a trusting community through open communication, accountability, collaboration, and mutual respect among the Board of Directors, staff, and our customers.

**Employees:** Our vision for MSWD employees is to cultivate a workplace where each person is empowered as a steward of our community's water, fostering a culture of excellence, innovation, and service in alignment with our shared mission.

**Customers:** Our vision for MSWD is to deliver reliable, sustainable, and community-focused service to our customers, ensuring you can trust us to meet your water needs while contributing to a healthier, vibrant community.

**Environment:** Our vision for the natural environment in MSWD is harmonious coexistence through responsible management, aiming to be a model for environmental stewardship and sustainable practices, ensuring the health and vitality of our local ecosystems.

**Public Health:** Our vision for MSWD is to serve as a cornerstone of community well-being by providing reliable and safe water services that protect and support a healthy and thriving community.

### Values of the Mission Springs Water District

Our Values at MSWD stand as the bedrock of our organization, shaping how we work and defining who we are. These guiding principles not only clarify our identity, but also serve as a compass for our purpose, culture, and decision-making processes.

**Accountability:** We are accountable for our actions, committed to transparency, integrity, and rectifying mistakes, ensuring the District's operations are conducted with honesty and responsibility.

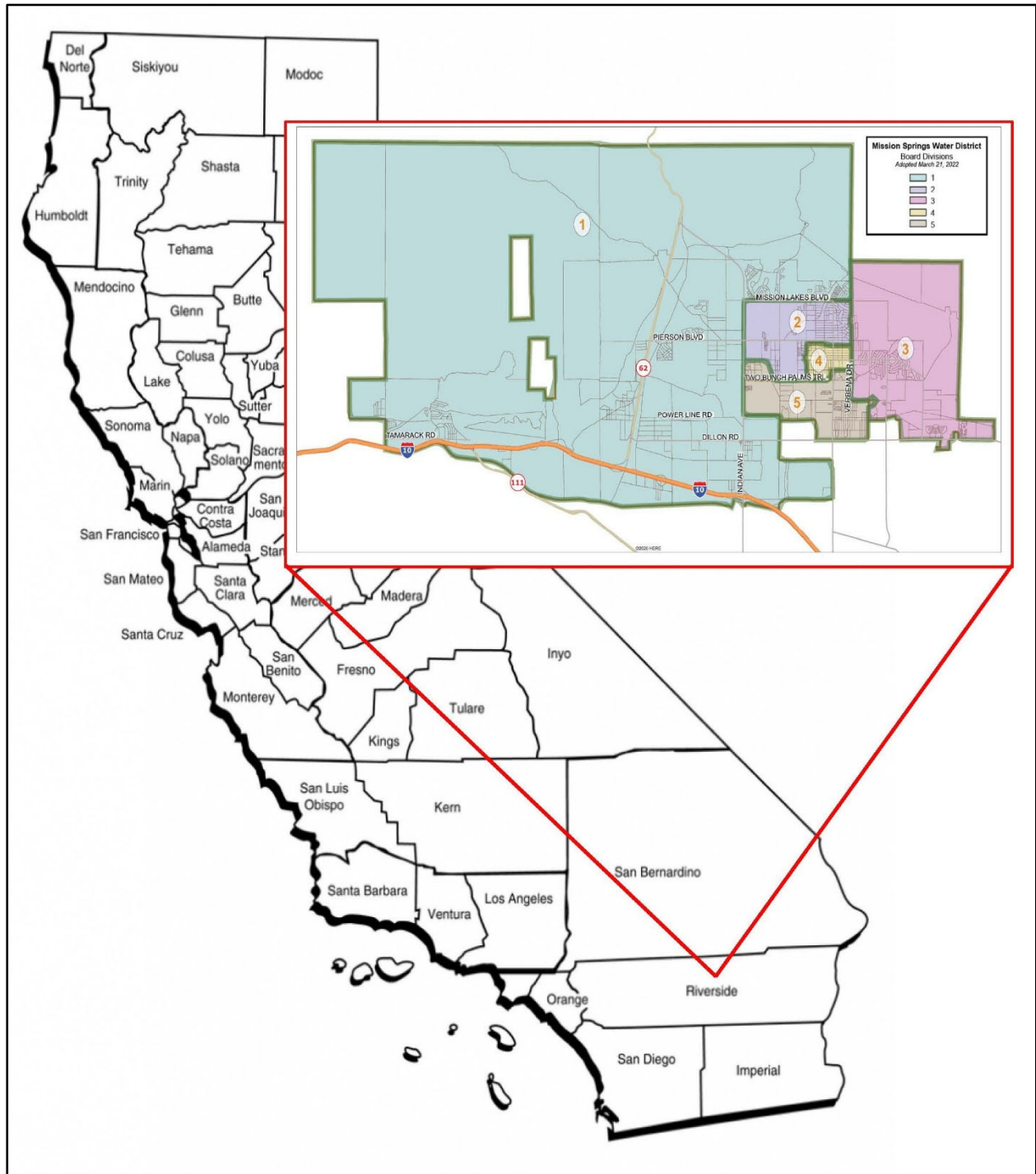
**Leadership:** Leadership is a core value for us, representing a commitment to setting a positive example, inspiring others, and fostering innovation to address water management challenges and drive progress in our community.

**Professionalism:** We maintain the highest standards of competence, ethics, and integrity in our actions, delivering water services with accountability and respect for the community, ensuring professionalism and expertise in every operation.

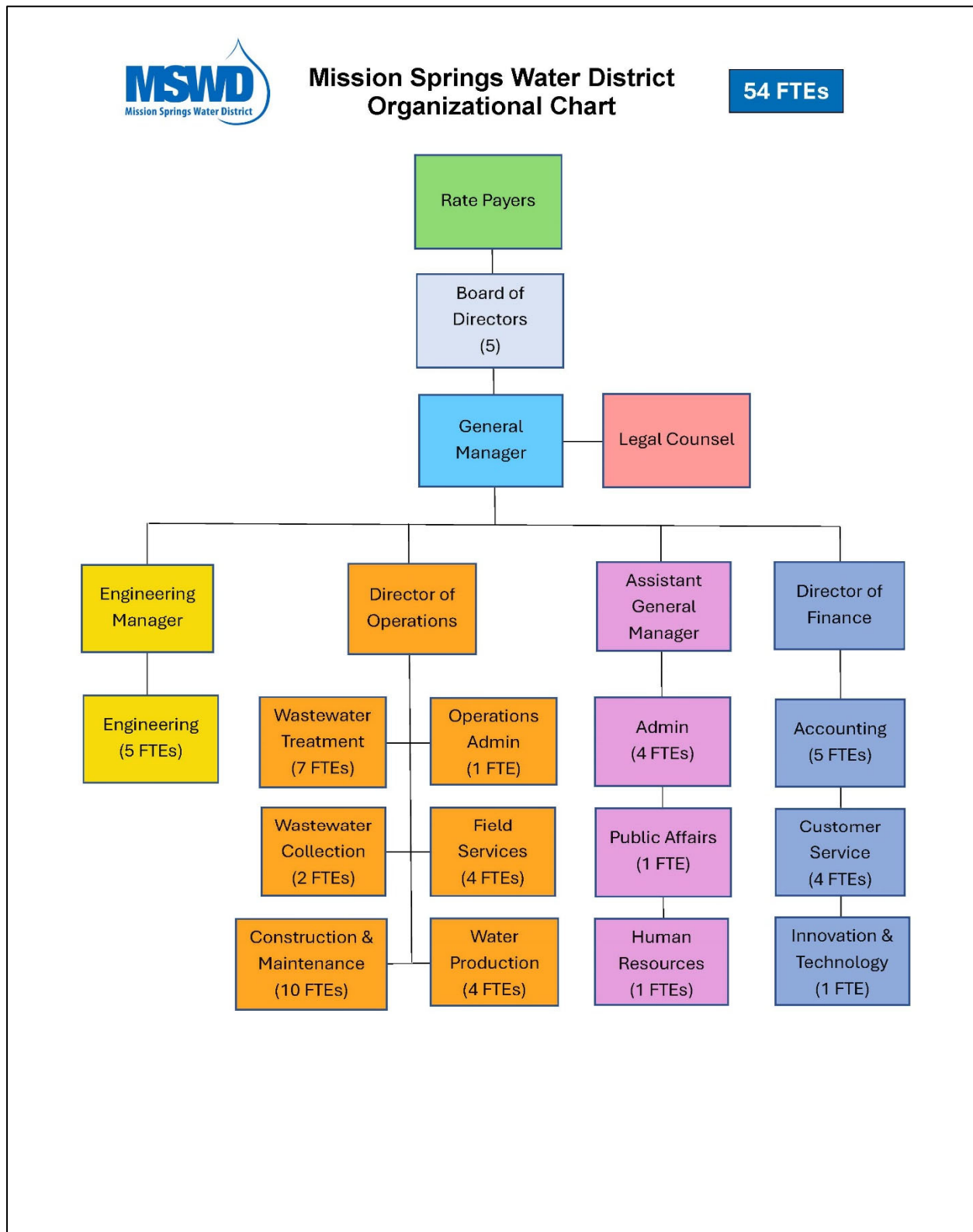
**Service:** We ensure access to clean, reliable water and cultivate a positive, supportive, and respectful environment for our staff, recognizing that community well-being and employee satisfaction are integral to achieving our mission.



# District Boundary



# Organizational Structure





# FINANCIAL SECTION

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*Independent Auditor's Report*

To the Board of Directors  
Mission Springs Water District  
Desert Hot Springs, California

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of each major fund of the Mission Springs Water District (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's office and state regulations governing Special Districts.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the State Controller's *Minimum Audit Requirements for California Special Districts*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
April 8, 2026

# *Mission Springs Water District*

## **Management's Discussion and Analysis For the fiscal year ended June 30, 2025**

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The following Management's Discussion and Analysis (MD&A) provides an overview of the financial performance and activities of the Mission Springs Water District (District) for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

### **Overview of the Basic Financial Statements**

The District is a utility enterprise and presents its financial statements using the economic resources measurement focus and the full accrual basis of accounting. The District's basic financial statements include the statement of net position, statement of revenues, expenses, and changes in net position and statement of cash flows. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statement of net position presents information on all the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are recognized on the accrual basis.

The statement of cash flows is related to the other financial statements by the way it links changes in assets and deferred outflows of resources and liabilities and deferred inflows of resources to the effect on cash and cash equivalents over the course of the fiscal year.

The notes to the financial statements provide useful information regarding the District's significant accounting policies, and they explain significant account balances and activities, certain material risks, obligations, commitments, contingencies, and subsequent events, if any.

### **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$250,196,781 (net position). Of this amount, \$82,181,094 represents unrestricted net position, which stands for net position available for designation by the Board.
- The District's total net position increased \$21,418,836 from the prior fiscal year attributable to the Nancy Wright Regional Water Reclamation Facility (RWRF) grant.

# Mission Springs Water District

## Management's Discussion and Analysis For the fiscal year ended June 30, 2025

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### Financial Analysis of the District

The statement of net position and the statement of revenues, expenses, and changes in net position provide an indication of the District's financial health. It provides a basis for evaluating the capital structure and assessing the liquidity and financial flexibility of the District.

The following tables summarize the District's financial condition and the changes in its net position for the past two years.

### Statements of Net Position

#### Consolidated Statements of Net Position

	June 30		Change	
	2025 (in thousands)	2024 (in thousands)	Dollars (in thousands)	Percentage
<b>Assets</b>				
Current and other noncurrent assets*	\$ 94,112	\$ 78,313	\$ 15,799	20%
Restricted assets	786	2,774	(1,988)	-72%
Capital assets, net	188,224	183,363	4,861	3%
Total assets	<u>283,122</u>	<u>264,450</u>	<u>18,672</u>	7%
<b>Deferred outflows of resources</b>	<u>2,938</u>	<u>3,701</u>	<u>(763)</u>	-21%
<b>Liabilities</b>				
Current liabilities	22,355	25,508	(3,153)	-12%
Noncurrent liabilities	13,118	13,239	(121)	-1%
Total liabilities	<u>35,473</u>	<u>38,747</u>	<u>(3,274)</u>	-8%
<b>Deferred inflows of resources</b>	<u>390</u>	<u>625</u>	<u>(235)</u>	-38%
<b>Net position</b>				
Net investment in capital assets	167,717	160,827	6,890	4%
Restricted	299	244	55	23%
Unrestricted	82,181	67,708	14,473	21%
Total net position	<u>\$ 250,197</u>	<u>\$ 228,779</u>	<u>\$ 21,418</u>	9%

\* Current and other noncurrent assets in fiscal year 2024 were restated due to an error correction of \$2,264.

As shown above, the District's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$250 million and \$229 million as of June 30, 2025 and 2024, respectively, an increase in net position of \$21.4 million between 2025 and 2024.

# Mission Springs Water District

## Management's Discussion and Analysis For the fiscal year ended June 30, 2025

### Statements of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position provides information on the nature and sources of these changes. For the fiscal years ended June 30, 2025 and 2024, the District's net position increased by \$21.4 million and \$18.5 million, respectively, as shown by the table below.

### Condensed Statements of Revenues, Expenses and Changes in Net Position

	Year ended June 30		Change	
	2025 (in thousands)	2024 (in thousands)	Dollars (in thousands)	Percentage
<b>Operating revenue</b>				
Sales	\$ 9,230	\$ 8,718	\$ 512	6%
Services	10,628	10,417	211	2%
Standby and availability	229	222	7	3%
Backup facilities and front footage fees	1,363	410	953	232%
Meter installations	178	85	93	109%
Other	1,016	1,750	(734)	-42%
Total operating revenue	22,644	21,602	730	5%
<b>Total operating expenses</b>	22,968	21,996	972	4%
Operating income	(324)	(394)	(242)	-18%
Property taxes and special assessments	4,468	2,535	1,933	76%
Investment earnings, other	3,470	2,496	974	39%
Grants*	13,287	11,601	1,686	15%
Net nonoperating revenues	21,225	16,632	4,593	28%
Interest expense	764	763	1	0%
Other	53	53	-	0%
Net nonoperating expenses	817	816	1	0%
Income before contributions	20,084	15,422	4,350	30%
Capital contributions	1,334	3,119	(1,785)	-57%
Change in net position	21,418	18,541	\$ 2,565	16%
Net position, beginning of year	228,779	210,238		
Net position, end of year	\$ 250,197	\$ 228,779		

\* Grant revenue in fiscal year 2024 was restated due to an error correction of \$2,264.

### Operating Revenues

Fiscal year 2024/2025 saw an increase in operating revenue of 5%. This was due primarily to the increase in water sales and backup facilities fees. While total operating expenses increased by 4%, the District incurred a \$324 thousand operating loss.

### Nonoperating Revenues/Expenses and Capital Contributions

Net nonoperating revenue increased 28% over the prior year attributable to increased property taxes and grants revenues.

Capital contributions decreased by \$1.8 million from the prior year. This is attributable to less developer contributions received related to projects.

# Mission Springs Water District

## Management's Discussion and Analysis For the fiscal year ended June 30, 2025

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### Capital Asset Administration

The District's investments in capital assets, net of accumulated depreciation, as of June 30, 2025 and June 30, 2024 were as follows:

	Year Ended June 30		Change	
	2025 (in thousands)	2024 (in thousands)	Dollars (in thousands)	Percentage
Land and other land rights	\$ 1,862	\$ 1,862	\$ -	0%
Construction in progress	76,602	73,735	2,867	4%
Building and improvements	3,869	4,068	(199)	-5%
Utility plant	102,849	101,739	1,110	1%
Furniture and equipment	1,658	977	681	70%
Other assets	239	426	(187)	-44%
Right-to-use leases	1,086	433	653	151%
Right-to-use subscriptions	59	123	(64)	-52%
Net capital assets	<u>\$ 188,224</u>	<u>\$ 183,363</u>	<u>\$ 4,861</u>	3%

For more information regarding the District's capital assets, please refer to note 4 of the notes to financial statements.

### Categories of Net Position

The District is required to present its net position in three categories: Net investment in capital assets, Restricted, and Unrestricted.

#### Net Investment in Capital Assets

At June 30, 2025, the amount the District had invested in capital assets, net of related debt was \$167.7 million. This balance was obtained by combining land of \$1.8 million, construction in progress of \$76.6 million, and capital assets in service, net of accumulated depreciation of \$110 million, minus \$488 thousand held in retentions payable and long-term liabilities of \$20 million.

#### Restricted Net Position – Debt Reserve

The District's restricted net position of \$299 thousand, consists of a debt reserve fund required by a project financed agreement with the California State Water Resources Control Board.

#### Unrestricted Net Position

The District had unrestricted Net Position of \$82.2 million as of June 30, 2025. The Board of Directors has designated \$52.5 million of unrestricted net position to capital reserve for the future replacement, and major repairs, of infrastructure of the District. The board has also designated \$150 thousand of unrestricted net position for the purpose of self-insuring the District against any claims made against the District.

# Mission Springs Water District

## Management's Discussion and Analysis For the fiscal year ended June 30, 2025

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### Long-term Liabilities

	Year Ended June 30		Change	
	2025 (in thousands)	2024 (in thousands)	Dollars (in thousands)	Percentage
Special Assessment Bond - Assessment District #7	\$ -	\$ 16,000	\$ (16,000)	-100%
COP - U.S. Department of Agriculture - 2001	212	221	(9)	-4%
Installment sale agreement - City National Bank - 2017	434	705	(271)	-38%
Installment sale agreement - Holman Capital Corporation	164	181	(17)	-9%
SWRCD - Assessment District #12, Phase IV	2,446	2,689	(243)	-9%
Installment sale agreement - City National Bank - 2013	654	717	(63)	-9%
Installment Purchase Agreement Well Fargo - 2023	15,000	15,000	-	0%
Total notes payable	18,910	19,529	(619)	-3%
Lease liability	1,079	391	688	176%
Subception liability	30	86	(56)	-65%
Total long-term liabilities	<u>\$ 20,019</u>	<u>\$ 20,006</u>	<u>\$ 13</u>	<u>0%</u>

For more information regarding the District's long-term liabilities, please refer to note 6 of the notes to financial statements.

### Water Rates and Other Charges

On August 15, 2025, the Board of Directors approved a Water and Wastewater Financial Plan and Rate Study. This resulted in rates being increased as of February 17, 2026. Information related to this rate action, as well as other information about the District's rates, can be found on the District's website.

### Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and overall financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Director of Finance at 66575 Second Street, Desert Hot Springs, CA 92240.

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## **Basic Financial Statements**

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# Mission Springs Water District

## Statement of Net Position June 30, 2025

	Water	Sewer	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (note 2)	\$ 42,172,816	\$ 39,313,727	\$ 81,486,543
Receivables:			
Accounts	2,521,236	486,073	3,007,309
Grants	-	2,803,943	2,803,943
Other	499,934	23,465	523,399
Taxes	76,257	32,536	108,793
Assessments, current portion	-	549,515	549,515
Leases, current portion (note 3)	56,763	26,323	83,086
Prepaid expenses	95,661	43,318	138,979
Inventory	418,199	168,752	586,951
Note receivable, current portion	2,725	-	2,725
Total current assets	<u>45,843,591</u>	<u>43,447,652</u>	<u>89,291,243</u>
Restricted assets:			
Cash and investments (note 2)	-	786,366	786,366
Total restricted assets	<u>-</u>	<u>786,366</u>	<u>786,366</u>
Noncurrent assets:			
Capital assets, not being depreciated (note 4)	11,000,899	67,462,473	78,463,372
Capital assets, net of depreciation/amortization (note 4)	55,920,428	53,838,385	109,758,813
Note receivable, net of current portion	9,899	-	9,899
Lease receivable, net of current portion (note 3)	149,423	68,426	217,849
Assessments receivable, net of current portion	-	4,595,061	4,595,061
Total noncurrent assets	<u>67,080,649</u>	<u>125,964,345</u>	<u>193,044,994</u>
Total assets	<u>112,924,240</u>	<u>170,198,363</u>	<u>283,122,603</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related (note 7)	2,093,223	845,110	2,938,333
Total deferred outflows of resources	<u>2,093,223</u>	<u>845,110</u>	<u>2,938,333</u>

*The accompanying notes are an integral part of these financial statements.*

# Mission Springs Water District

## Statement of Net Position June 30, 2025

	Water	Sewer	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 1,776,024	\$ 982,042	\$ 2,758,066
Accrued liabilities	177,776	144,136	321,912
Customer deposits	423,709	-	423,709
Advance construction deposits	41,499	2,487,555	2,529,054
Compensated absences, current portion (note 5)	280,850	101,413	382,263
Long-term liabilities, current portion (note 6)	247,280	15,694,489	15,941,769
Total current liabilities	<u>2,947,138</u>	<u>19,409,635</u>	<u>22,356,773</u>
Noncurrent liabilities:			
Compensated absences, net of current portion (note 5)	329,818	125,003	454,821
Long-term liabilities, net of current portion (note 6)	944,422	3,131,355	4,075,777
Net pension liability (note 7)	6,154,514	2,432,733	8,587,247
Total noncurrent liabilities	<u>7,428,754</u>	<u>5,689,091</u>	<u>13,117,845</u>
Total liabilities	<u>10,375,892</u>	<u>25,098,726</u>	<u>35,474,618</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Lease related (note 3)	190,815	87,661	278,476
Pension related (note 7)	60,862	50,199	111,061
Total deferred inflows of resources	<u>251,677</u>	<u>137,860</u>	<u>389,537</u>
<b>NET POSITION</b>			
Net investment in capital assets	65,729,625	101,987,355	167,716,980
Restricted - debt service	-	298,707	298,707
Unrestricted	38,660,269	43,520,825	82,181,094
Total net position (note 8)	<u>\$ 104,389,894</u>	<u>\$ 145,806,887</u>	<u>\$ 250,196,781</u>

*The accompanying notes are an integral part of these financial statements.*

# Mission Springs Water District

## Statement of Revenues, Expenses, and Changes in Net Position For the Fiscal Year Ended June 30, 2025

	Water	Sewer	Total
<b>OPERATING REVENUES</b>			
Sales	\$ 9,230,233	\$ -	\$ 9,230,233
Services	3,025,174	7,601,825	10,626,999
Standby and availability	218,156	10,678	228,834
Backup facilities and front footage fees	1,083,346	279,860	1,363,206
Meter installations	178,452	-	178,452
Other	960,271	55,869	1,016,140
	<u>14,695,632</u>	<u>7,948,232</u>	<u>22,643,864</u>
<b>OPERATING EXPENSES</b>			
Pumping	3,114,613	-	3,114,613
Transmission and distribution	2,609,426	-	2,609,426
Customer accounts	967,878	244,507	1,212,385
Sewage collection	-	296,793	296,793
Sewage treatment	-	2,351,831	2,351,831
Standby wages	110,819	125,018	235,837
Groundwater management	5,412	2,583	7,995
Public affairs	794,733	374,508	1,169,241
General and administrative	4,906,677	2,367,214	7,273,891
Depreciation & amortization	2,801,311	1,894,220	4,695,531
	<u>15,310,869</u>	<u>7,656,674</u>	<u>22,967,543</u>
Operating income (loss)	<u>(615,237)</u>	<u>291,558</u>	<u>(323,679)</u>
<b>NONOPERATING REVENUES</b>			
Property taxes - general purpose	2,446,734	2,021,004	4,467,738
Investment income, net	1,889,870	1,478,994	3,368,864
Grants	56,276	13,230,809	13,287,085
Other	75,199	26,105	101,304
	<u>4,468,079</u>	<u>16,756,912</u>	<u>21,224,991</u>
<b>NONOPERATING EXPENSES</b>			
Interest	19,200	744,958	764,158
Other	48,804	3,937	52,741
	<u>68,004</u>	<u>748,895</u>	<u>816,899</u>
Income before contributions	3,784,838	16,299,575	20,084,413
Capital contributions	959,446	374,977	1,334,423
Change in net position	4,744,284	16,674,552	21,418,836
Net position, beginning of year, as previously stated	99,645,610	131,396,655	231,042,265
Adjustment - error correction	-	(2,264,320)	(2,264,320)
Net position, beginning of year, as restated	<u>99,645,610</u>	<u>129,132,335</u>	<u>228,777,945</u>
Net position, end of year	<u>\$ 104,389,894</u>	<u>\$ 145,806,887</u>	<u>\$ 250,196,781</u>

*The accompanying notes are an integral part of these financial statements.*

# Mission Springs Water District

## Statement of Cash Flows For the Fiscal Year Ended June 30, 2025

	Water	Sewer	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 15,101,774	\$ 7,932,937	\$ 23,034,711
Cash payments to suppliers for goods and services	(7,350,082)	(5,241,854)	(12,591,936)
Cash payments for employees for services	(5,511,726)	(2,677,660)	(8,189,386)
Net cash provided by operating activities	<u>2,239,966</u>	<u>13,423</u>	<u>2,253,389</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from property taxes - general purpose	2,436,000	2,023,441	4,459,441
Cash received from grants	56,276	18,495,973	18,552,249
Net cash provided by noncapital financing activities	<u>2,492,276</u>	<u>20,519,414</u>	<u>23,011,690</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash received from note receivable	7,174	-	7,174
Acquisition and construction of capital assets	(2,957,895)	(4,346,442)	(7,304,337)
Principal retirement of long-term debt	(25,862)	(593,949)	(619,811)
Payments on lease liability	(232,325)	(69,426)	(301,751)
Payments on subscription liability	(38,125)	(18,195)	(56,320)
Interest paid on long-term debt	(19,200)	(744,958)	(764,158)
Net cash used for capital and related financing activities	<u>(3,266,233)</u>	<u>(5,772,970)</u>	<u>(9,039,203)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received on investments	1,662,394	1,262,949	2,925,343
Change in fair value	227,476	172,877	400,353
Net cash provided by investing activities	<u>1,889,870</u>	<u>1,435,826</u>	<u>3,325,696</u>
Net change in cash and investments	3,355,879	16,195,693	19,551,572
Cash and investments, beginning of year	<u>38,816,937</u>	<u>23,904,400</u>	<u>62,721,337</u>
Cash and investments, end of year	<u>\$ 42,172,816</u>	<u>\$ 40,100,093</u>	<u>\$ 82,272,909</u>
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>			
Cash and investments	\$ 42,172,816	\$ 39,313,727	\$ 81,486,543
Restricted cash and investments	-	786,366	786,366
Total cash and investments	<u>\$ 42,172,816</u>	<u>\$ 40,100,093</u>	<u>\$ 82,272,909</u>

*The accompanying notes are an integral part of these financial statements.*

# Mission Springs Water District

## Statement of Cash Flows For the Fiscal Year Ended June 30, 2025, (Continued)

	Water	Sewer	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (615,237)	\$ 291,558	\$ (323,679)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	2,801,311	1,894,220	4,695,531
Other nonoperating income	75,199	26,105	101,304
Other nonoperating expense	(48,804)	(3,937)	(52,741)
Prior year construction in progress expensed	53,034	20,530	73,564
(Increase) decrease in assets and deferred outflows of resources:			
Receivables:			
Accounts	338,942	(32,324)	306,618
Lease	54,023	25,782	79,805
Prepaid expenses	43,863	20,934	64,797
Inventory	44,494	21,235	65,729
Deferred outflows of resources - pension related	516,472	246,486	762,958
Increase (decrease) in liabilities and deferred inflows of resources:			
Accounts payable	(738,988)	(2,422,403)	(3,161,391)
Accrued liabilities	(133,944)	2,272	(131,672)
Compensated absences	70,693	33,739	104,432
Customer deposits	18,626	-	18,626
Advance construction deposits	(25,896)	(8,728)	(34,624)
Net pension liability	(54,155)	(25,846)	(80,001)
Deferred inflows of resources - pension related	(104,915)	(50,070)	(154,985)
Deferred inflows of resources - lease related	(54,752)	(26,130)	(80,882)
Net cash provided by operating activities	<u>\$ 2,239,966</u>	<u>\$ 13,423</u>	<u>\$ 2,253,389</u>
<b>SCHEDULE OF NON-CASH NONCAPITAL AND CAPITAL RELATED FINANCING AND INVESTING ACTIVITIES</b>			
Lease liability	\$ 680,388	\$ 309,323	\$ 989,711
Lease asset acquisition	(680,388)	(309,323)	(989,711)
Contribution of capital assets	959,446	374,977	1,334,423

The accompanying notes are an integral part of these financial statements.

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# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Description of the entity***

Mission Springs Water District (District), formerly called Desert Hot Springs Water District, was formed in 1953. The District operates under the authority of the California Water Code. Mission Springs Water District is located in the Coachella Valley of Southern California, ten miles north of the City of Palm Springs. The boundaries encompass an area of 135 square miles, within which the District maintains and operates pipelines, 13 water wells, 24 reservoirs, and 2 wastewater treatment plants. The primary service area is the City of Desert Hot Springs.

#### ***Blended component unit***

The Mission Springs Water District Improvement Corporation (Corporation) was created in April of 1985 by a joint exercise of powers agreement for the purpose of acquiring, constructing, rehabilitating, financing, and refinancing, or providing for the sale of leasing of public capital improvements. The Corporation is governed by a board composed of the District's board of directors. The Corporation has issued debt which is secured solely from installment payments payable under and installment purchase agreement entered into by the District and the Corporation. All accounts and funds created and established pursuant any instrument or agreement to which the Corporation is a party, and any interest earned and accrued thereon, shall incur to the benefit of the District. Separate financial statements are not prepared for the Corporation. It is reported as a blended component unit.

#### ***Fund classifications***

Mission Springs Water District is comprised of the following major enterprise funds:

Water Fund – Used to account for activities associated with serving 13,920 water accounts, of which 95% are residential customers.

Sewer Fund – Used to account for activities associated with providing sewage collection, treatment and disposal services to 9,154 customer accounts, of which 97% are residential customers.

#### ***Measurement focus, basis of accounting and financial statement presentation***

The District operates as utility enterprise funds and its financial statements have been prepared using the economic measurement focus and the accrual basis of accounting, in conformity with generally accepted accounting principles (GAAP) and the Uniform Systems of Accounts for Utility Districts as prescribed by the Controller of the State of California. Under this basis of accounting and measurement focus, revenues are recognized when they are earned and expenses are recognized when they are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they were levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. The District has elected to follow all pronouncements of the Governmental Accounting Standard's Board (GASB).

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)**

#### ***Use of estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### ***Cash and cash equivalents***

For purposes of the statement of cash flows, cash and cash equivalents have been defined as deposits and highly liquid investments with an original maturity of 90 days or less at the date of purchase.

#### ***Investments***

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at amortized cost. Investments with a maturity of greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at a given point in time.

The State Treasurer's Investment Pool (Pool) is managed by the State, Office of the Treasurer, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in the Pool are valued at the Pool's share price, the price at which the investments could be sold.

#### ***Allowance for doubtful accounts***

The District recognizes bad debt expense relating to receivables when it is probable that the accounts will be uncollectible. As of June 30, 2025, all receivables were deemed collectible.

#### ***Prepaid expenses***

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid expenses in the financial statements.

#### ***Inventory***

Inventories are valued at cost which approximates market, using the first in/first-out method. The costs of the inventories are recorded as expenses when used (consumption method). Inventory of material and supplies consisted of meters, valves, pipes, repair parts, gasoline, and supplies.

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)**

#### ***Restricted assets***

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Unspent developer deposits are classified as restricted assets on the statement of net position.

#### ***Assessments receivable***

The District has issued long-term debt to finance capital improvement projects and has secured these debts by placing a lien on the assessed properties. The aggregate of the property liens has been recorded as an assessment receivable on the statement of net position. As of June 30, 2025, the assessment receivable for these liens was \$5,144,576 and the balance of special assessments that were delinquent was \$141,172. As of June 30, 2025, all assessment receivables were deemed collectible.

#### ***Capital assets***

Capital assets are recorded at cost. If applicable, donated assets are stated at acquisition value on the date donated. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. The District uses differing capitalization thresholds for the classes of assets based on materiality. Estimated service lives for the District's classes of assets are as follows:

Building and improvements	5 - 40 years
Utility plant	5 - 75 years
Furniture and equipment	5 - 25 years
Other assets	5 - 10 years
Intangible utility plant	5 - 25 years

Right-to-use lease and subscription assets are amortized over the life of the associated contract using the straight-line method

#### ***Deferred outflows/inflows of resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net asset that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has one item, deferred outflows related to pension, which qualifies for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net asset that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The District has two items, deferred inflows related to leases and deferred inflows related to pensions, which qualify for reporting in this category.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

#### **Net position**

Net position is categorized as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization reduced by the outstanding debt or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on resources through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of resources that do not meet the definition of “restricted” or “net investment in capital assets.”

#### **Flow Assumption for Net Position**

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### **Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)**

#### ***Compensated absences***

The District's policy is to permit employees to accumulate a limited amount of earned vacation and sick leave. Accumulated vacation time is accrued at year-end to account for the District's obligation to the employees for the amount owed. It is management's belief that the majority of the obligation will be utilized during the course of the next fiscal year. Vacation pay is payable to employees at the time a vacation is taken, cashed out, or upon termination of employment. Normally, an employee cannot accrue more vacation than the total hours accrued in the prior twenty-four-month period each year. Sick leave is payable when an employee is unable to work because of illness of an employee or employee's family member. An employee may not accumulate more than six hundred ninety-six hours of sick leave.

#### ***Unearned revenue***

Unearned revenue in accrual-based statements arises when resources are received by the District before it has a legal claim to them (i.e. when grant monies are received prior to the incurrence of qualifying expenses).

#### ***Operating and nonoperating activities***

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund and sewer fund are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

#### ***Contributions for capital acquisitions/construction***

Contributions for capital acquisitions/construction represent cash and capital asset additions contributed to the District by federal, state, and local granting agencies or by developers.

#### ***Property taxes***

The County bills and collects property taxes on behalf of the District and numerous assessment districts. The District's current year tax collection is received through periodic apportionments from the County. The County's tax calendar is from July 1 to June 30. Property taxes attach as a lien on the property on January 1. Taxes are levied on July 1 and payable in two equal installments on November 1 and February 1. They become delinquent after December 10 and April 10, respectively.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

### NOTE 2: CASH AND INVESTMENTS

Cash and investments are presented in the accompanying financial statements as follows:

Cash and investments	\$ 81,486,543
Restricted cash and investments	<u>786,366</u>
Total cash and investments	<u>\$ 82,272,909</u>

Cash and investments as of June 30, 2025 consist of the following:

Petty cash	\$ 1,100
Demand deposits	48,207,888
Investments	<u>34,063,921</u>
Total cash and investments	<u>\$ 82,272,909</u>

### ***Investment policy***

The District's investment policy outlines the guidelines required to be used in effectively managing the District's available cash in accordance with the California Government Code. To address interest rate risk, the District's existing policy limits the maturity of investments to five years. To mitigate credit risks associated with its investments, the District's investment policy limits investments to large institutions and requires diversification to ensure that failure of one issuer will not significantly affect the District's cash flow.

### ***Interest rate risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the maximum maturity length of investments to five years.

Maturities of investments at June 30, 2025, were as follows:

Investment type	Total	Remaining maturity (in months)			
		12 Months or Less	13 to 36 Months	37 to 60 Months	More than 60 Months
Investment Trust of California (CalTRUST)	\$ 34,063,921	\$ 10,298,145	\$ 23,765,776	\$ -	\$ -
Total	<u>\$ 34,063,921</u>	<u>\$ 10,298,145</u>	<u>\$ 23,765,776</u>	<u>\$ -</u>	<u>\$ -</u>

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 2: CASH AND INVESTMENTS, (CONTINUED)**

#### ***Concentration of credit risk***

A concentration of credit risk is the risk of loss attributable to the magnitude of the District's investment in a single issuer. The District's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2025, there were no investments in any one issuer (other than U.S. Treasury securities, agency funds, corporate funds, and external investment pools) that represent 5% or more of total District investments.

#### ***Custodial credit risk***

Custodial credit risk is the risk that the District will not be able to (a) recover deposits if the depositor financial institution fails, or (b) recover the value of investments or collateral securities that are in the possession of an outside party if the counterparty to the investment or deposit transaction fails.

#### **Deposits**

The California Government Code requires California banks and savings and loan associations to secure a local governmental agency's (agency) deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits. The agency may waive collateral requirements for deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a financial institution with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2025, the District deposits (bank balances) were collateralized under California Law.

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 2: CASH AND INVESTMENTS, (CONTINUED)**

#### ***Custodial credit risk, (continued)***

##### Investments

The California Government Code authorizes the District to invest in obligations of the United States Treasury, agencies, and instrumentalities, prime commercial paper, bankers' acceptances, repurchase and reverse repurchase agreements, financial futures or financial option contracts, negotiable certificates of deposit, obligations of the State of California, and, obligations of local agencies within California.

Investments are exposed to custodial credit risk if they are uninsured, unregistered and held by either a counterparty or the counterparty's trust department or agent but not in the government's name.

#### ***Credit risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy limits eligible investments to large institutions. As of June 30, 2025, CalTrust held the investments of the District.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in CalTrust are not subject to minimum legal ratings and credit risk disclosures.

#### ***Fair value measurements***

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; while Level 3 inputs are significant unobservable inputs.

- Level 1 inputs are quoted prices for identical assets or liabilities in active markets that the government can access at the measurement date.
- Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 inputs are unobservable inputs for an asset or liability.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 2: CASH AND INVESTMENTS, (CONTINUED)

#### *Fair value measurements, (continued)*

Deposits and withdrawals in governmental investment pools, such as CalTrust, are made on the basis of \$1 and not fair value. Accordingly, the District's investments in CalTrust are not subject to the fair value hierarchy.

#### *Participation in external investment pools*

The District is a voluntary participant in the Investment Trust of California (CalTRUST), which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST and selects and supervises the activities of the Investment Manager and other agents. As of June 30, 2025, the District's investment in CalTRUST is \$34,063,921, of which \$2,935,528 was invested in the Liquidity funds pool, \$7,362,617 in the Short-term pool, and \$23,765,776 in the Medium-term pool. Amounts that may be withdrawn from the Money Market Fund are based upon the fund's assets valued using the amortized cost method. Amounts that may be withdrawn from the Short-term and Medium-term pools are based on the net asset value per share and the number of shares held by participants in each pool.

### NOTE 3: LEASES RECEIVABLE

The District has entered into leases as a Lessor for the use of cell towers, for periods ranging from of 61 to 112 months. The initial lease receivables were recorded in the range between \$130,352 to \$242,338. The lessee is required to make monthly fixed payments in the range between \$1,989 to \$2,284. The leases have an interest rate in the range between 0.638% to 1.187%. The cell towers have a range of 1 to 4 extension options, each for 60 months.

Total lease receivable, deferred inflow of resources, and revenue recognized at June 30, 2025 were \$300,935, \$278,476 and \$79,805, respectively.

Year ended June 30,	Lease Receivable		
	Principal	Interest	Total
2026	\$ 83,086	\$ 2,882	\$ 85,968
2027	60,284	2,142	62,426
2028	60,441	1,482	61,923
2029	57,196	798	57,994
2030	29,886	312	30,198
2031	10,042	25	10,067
Total	<u>\$ 300,935</u>	<u>\$ 7,641</u>	<u>\$ 308,576</u>

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

### NOTE 4: CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2025 were as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets, not being depreciated:				
Land and other land rights	\$ 1,861,636	\$ -	\$ -	\$ 1,861,636
Construction in progress*	73,734,598	6,537,116	(3,669,978)	76,601,736
Total capital assets, not being depreciated	75,596,234	6,537,116	(3,669,978)	78,463,372
Capital assets, depreciated/amortized:				
Buildings and improvements	6,137,854	-	-	6,137,854
Utility plant	181,180,019	4,787,443	(170,264)	185,797,198
Furniture and equipment	4,864,887	894,418	(107,670)	5,651,635
Other assets	1,888,785	16,197	-	1,904,982
Right-to-use leases	931,053	989,711	(302,411)	1,618,353
Right-to-use subscriptions	209,082	-	(12,252)	196,830
Total capital assets, being depreciated/amortized	195,211,680	6,687,769	(592,597)	201,306,852
Less accumulated depreciation/amortization:				
Buildings and improvements	(2,069,812)	(199,343)	-	(2,269,155)
Utility plant	(79,440,546)	(3,678,288)	170,264	(82,948,570)
Furniture and equipment	(3,888,183)	(213,617)	107,670	(3,994,130)
Other assets	(1,462,809)	(203,214)	-	(1,666,023)
Right-to-use leases	(497,610)	(337,140)	302,411	(532,339)
Right-to-use subscriptions	(86,145)	(63,929)	12,252	(137,822)
Total accumulated depreciation/amortization	(87,445,105)	(4,695,531)	592,597	(91,548,039)
Total capital assets being depreciation/amortization, net	107,766,575	1,992,238	-	109,758,813
Total capital assets, net	<u>\$183,362,809</u>	<u>\$ 8,529,354</u>	<u>\$ (3,669,978)</u>	<u>\$188,222,185</u>

\* Construction in progress abandoned in the current year was \$53,039 and \$20,530 for the Water and Sewer Funds respectively.

Depreciation and amortization expense for the year ended June 30, 2025 was as follows:

Water	\$ 2,801,311
Sewer	<u>1,894,220</u>
Total depreciation/amortization expense	<u>\$ 4,695,531</u>

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

### NOTE 5: COMPENSATED ABSENCES

Changes in compensated absences for the year ended June 30, 2025 were as follows:

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated Absences	\$ 732,652	\$ 104,432	\$ 837,084	\$ 382,263

### NOTE 6: LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Direct Borrowings:</b>					
Notes payable:					
Special Assessment Bond - Assessment District #7	\$ 16,000	\$ -	\$ (16,000)	\$ -	\$ -
COP - U.S. Department of Agriculture - 2001	221,201	-	(8,900)	212,301	9,400
Installment sale agreement - City National Bank - 2017	705,421	-	(271,497)	433,924	279,427
Installment sale agreement - Holman Capital Corporation	180,866	-	(16,963)	163,903	17,682
SWRCB - Assessment District #12, Phase IV	2,689,105	-	(243,350)	2,445,755	248,703
Installment sale agreement - City National Bank - 2013	716,688	-	(63,101)	653,587	65,715
Installment Purchase Agreement Well Fargo - 2023	15,000,000	-	-	15,000,000	15,000,000
Total notes payable	19,529,281	-	(619,811)	18,909,470	15,620,927
Lease liabilities	390,585	989,711	(301,751)	1,078,545	291,311
Subscription liabilities	85,851	-	(56,320)	29,531	29,531
Total long-term liabilities	\$ 20,005,717	\$ 989,711	\$ (977,882)	\$ 20,017,546	\$ 15,941,769

### Assessment District #7 Special Assessment Bonds

On February 28, 1985, the District issued special assessment bonds for \$222,200 to aid in financing a sewage collection system for Assessment District #7. The interest rate on the bonds is 7.25% per annum. Interest on the bonds is payable semi-annually on January 2 and July 2. Principal matures July 2 of each year through 2024. This note was paid off during the fiscal year.

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 6: LONG-TERM DEBT, (CONTINUED)**

#### ***Certificates of Participation – United States Department of Agriculture 2001***

On July 3, 2001, the District entered into a loan agreement with the U.S.D.A. and a Certificate of Participation (COP) was issued for \$348,000 to improve waterlines in Improvement District “E”. The interest rate on the COP is 4.50% per annum. Interest on the COP is payable semi-annually on February 1 and August 1. Principal matures February 1 of each year through 2041.

#### ***Installment Sale Agreement – City National Bank – 2017***

On June 26, 2006, the District entered into an installment sale agreement with La Salle National Bank in the amount of \$2,200,000. The proceeds from this contract were used to purchase Assessment Districts #12 bonds totaling \$1,630,024. The bond proceeds were used for Assessment District #12, Phase I costs.

On September 21, 2007, the District entered into an installment sale agreement with La Salle National Bank in the amount of \$1,600,000. The proceeds from this contract were used to purchase Assessment Districts #12 bonds totaling \$1,329,530. The bond proceeds were used for Assessment District #12, Phase II costs.

On December 22, 2017, the District entered into a loan agreement with City National Bank in the amount of \$2,395,013. The proceeds from this contract were used to pay off the Phase I and II La Salle National Bank loans in the amount of \$1,309,488 and \$1,019,315, respectively. The interest rate on the loan agreement is 2.90% per annum. Principal and interest on the bonds is payable semi-annually on March 21 and September 21. Principal matures through September 21, 2027.

The outstanding loan agreement with City National Bank contains (a) a provision that if an event of default occurs and continues, the timing of repayment of outstanding amounts become immediately due if the pledged revenues during each fiscal year are less than 115 percent of debt service coverage due in the following fiscal year and (b) a provision that if an event of default occurs and continues, the timing of repayment of outstanding amounts become immediately due if (1) the District is unable to make a payment; (2) the District fails to perform any of the agreements, covenants, or conditions required, and such default shall have continued for a period of thirty (30) days after the District has been given notice in writing of such default; (3) if the District files a petition in bankruptcy, or failure by the District to promptly lift any execution, garnishment or attachment, or adjudication of the District as bankrupt, or assignment by the District for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 6: LONG-TERM DEBT, (CONTINUED)**

#### ***Installment Sale Agreement – Holman Capital Corporation***

On June 21, 2013, the District entered into an installment sales agreement with Holman Capital Corporation in the amount of \$328,000. The proceeds were used to purchase 80 acres of land for future water system improvements. The interest rate on the installment sales agreement is 4.19% per annum. Interest on the bonds is payable semi-annually on June 7 and December 7. Principal matures on June 7 and December 7 of each year through June 7, 2033.

The outstanding installment sales agreement with Holman Capital Corporation contains (a) a provision that if an event of default occurs and continues, the timing of repayment of outstanding amounts become immediately due if (1) the District is unable to make a payment; (2) the District fails to perform any of the agreements, covenants, or conditions required, and such default shall have continued for a period of thirty (30) days after the District has been given notice in writing of such default; (3) if the District violates any applicable rule, regulation, law, statute or ordinance applicable to the District or the Water System or the Parity Debt that could lead to a breach under the subsections (a) and/or (b) and that are not cured.

#### ***State Water Resources Control Board – Assessment District #12, Phase IV***

In August 2012 (and later amended in January 2013), the District entered into a financing agreement with the California State Water Resources Control Board (CSWRCB) for a total amount of \$9,957,921 for the purpose of financing Assessment District #12, Phase 3 costs. This program is a loan from the Clean State Revolving Fund (SRF) of which 50% of the principal amount was forgiven. This was made possible through Federal Environmental Protection Agency funds granted to SRF. The interest rate on the loan is 2.2% with principal and interest payments due annually on January 31 beginning in 2015, final payment is due January 31, 2034.

In the event of a termination, the District has agreed, upon demand, to immediately repay to the State Water Board an amount equal to installment payments due hereunder, including accrued interest, and all penalty assessments due. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the District to the date of full repayment by the District.

On December 19, 2013, the District entered into an installment sales agreement with City National Bank in the amount of \$1,215,000. The proceeds were used to purchase Assessment District #12 bonds totaling \$1,096,329 for Phase V costs. The interest rate on the installment sales agreement is 4.10% per annum. Interest on the bonds is payable semi-annually on March 2 and September 2. Principal matures on March 2 and September 2 of each year through 2029.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 6: LONG-TERM DEBT, (CONTINUED)

#### ***Installment Sale Agreement – City National Bank – 2013***

The outstanding installment sales agreement with City National Bank contains (a) a provision that if an event of default occurs and continues, the timing of repayment of outstanding amounts become immediately due if (1) the District is unable to make a payment; (2) the District fails to perform any of the agreements, covenants, or conditions required, and such default shall have continued for a period of thirty (30) days after the District has been given notice in writing of such default; (3) If the District files a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or the approval by a court of competent jurisdiction of a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the District or of the whole or any substantial part of its property; (4) if an event of default shall have occurred and be continuing with respect to any Parity Debt or Subordinate Debt which requires or permits the immediate acceleration thereof.

#### ***Installment Purchase Agreement – Wells Fargo 2023***

In August 2022, the District, and the State Water Resources Control Board (Water Board) executed Funding Agreement No. D2101054, to fund the construction of the West Valley Reclamation Facility. This is an expense reimbursement agreement that will cover 100% of the Reclamation Facility's costs. Construction began in January of 2022 and in January of 2023 the District entered into an Installment Purchase agreement with Wells Fargo Municipal Capital Strategies, LLC, in the amount of \$15,000,000, to provide interim financing for the project. The interest rate on the loan agreement is 3.99% per annum. Principal is due in full at maturity and interest is payable monthly. Principal matures through January 24, 2026.

The debt service requirements for the District's notes are as follows:

Year ended June 30,	Principal	Interest	Total
2026	\$ 15,620,927	\$ 501,763	\$ 16,122,690
2027	453,098	90,570	543,668
2028	412,691	77,935	490,626
2029	370,429	67,239	437,668
2030	380,592	56,994	437,586
2031 - 2035	1,574,333	124,399	1,698,732
2036 - 2040	79,300	15,089	94,389
2041	18,100	815	18,915
Total	<u>\$ 18,909,470</u>	<u>\$ 934,804</u>	<u>\$ 19,844,274</u>

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 6: LONG-TERM DEBT, (CONTINUED)

#### *Lease liabilities*

As of June 30, 2025, the District had numerous active leases ranging from 39 to 60 months. The initial lease liabilities were recorded in the range between \$9,261 to \$151,450. The District is required to make monthly fixed payments in the range between \$160 to \$3,637. As of June 30, 2025, the value of the lease liability is \$1,078,545. The leases have an interest rate in the range between 0.344% to 3.245%. The various vehicles and equipment have an estimated useful life in the range between 39 to 60 months as of the contract commencement. The value of the right to use asset as of June 30, 2025 is \$1,618,353 with accumulated amortization of \$532,339, which is detailed in Note 4.

Estimated future lease payable service requirements are as follows:

Year ended June 30,	Principal	Interest	Total
2026	\$ 291,311	\$ 26,482	\$ 317,793
2027	285,027	18,510	303,537
2028	250,021	10,698	260,719
2029	170,207	4,604	174,811
2030	81,979	970	82,949
Total	<u>\$ 1,078,545</u>	<u>\$ 61,264</u>	<u>\$ 1,139,809</u>

#### *Subscription liabilities*

On July 1, 2022, the District entered into numerous subscriptions for the use of various intangible assets, which have a range between 18 and 37 months. The initial subscription liabilities were recorded in the range between \$6,052 and \$113,983. As of June 30, 2025, the value of the subscription liability is \$29,531. The District is required to make annual fixed payments in the range between \$6,200 to \$28,620. The subscriptions have an interest rate between 2.449% and 2.860%. The value of the right-to use-asset as of June 30, 2025 is \$196,830 with accumulated amortization of \$137,822, which is detailed in Note 4.

Year ended June 30,	Principal	Interest	Total
2026	\$ 29,531	\$ 845	\$ 30,376
Total	<u>\$ 29,531</u>	<u>\$ 845</u>	<u>\$ 30,376</u>

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 7: DEFINED BENEFIT PENSION PLAN

#### A. General information about the pension plan

##### *Plan description*

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

##### *Benefits provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect as of June 30, 2025 are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employer contribution rates	15.24%	7.87%

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 7: DEFINED BENEFIT PENSION PLAN, (CONTINUED)

#### Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025 were \$1,241,197.

#### B. Net pension liability

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

#### **Actuarial methods and assumptions used to determine total pension liability**

The collective total pension liability for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Actuarial Cost Method
Asset Valuation Method:	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varied by Entry Age and Service
Mortality Rate Table <sup>(1)</sup>	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

(1) The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 7: DEFINED BENEFIT PENSION PLAN, (CONTINUED)

#### **Long-term expected rate of return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows:

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Real Return<sup>1,2</sup></b>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

<sup>1</sup> An expected inflation of 2.30% used for this period.

<sup>2</sup> Figures are based on the 2021-22 Asset Liability Management study.

#### **Discount rate**

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

### NOTE 7: DEFINED BENEFIT PENSION PLAN, (CONTINUED)

#### **Subsequent events**

There were no subsequent events that would materially affect the results presented in this disclosure.

#### **Pension plan fiduciary net position**

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

#### **C. Proportionate share of net pension liability**

The following table shows the District's proportionate share of the net pension liability over the measurement period.

	<b>Increase (Decrease)</b>		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2023 (VD)	\$ 31,144,302	\$ 22,477,054	\$ 8,667,248
Balance at: 6/30/2024 (MD)	34,243,567	25,656,320	8,587,247
Net Changes during 2023-24	<u>\$ 3,099,265</u>	<u>\$ 3,179,266</u>	<u>\$ (80,001)</u>

Valuation Date (VD), Measurement Date (MD)

The District's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

The District's proportionate share of the net pension liability for the Miscellaneous Plan as of the June 30, 2023 and 2024 measurement dates was as follows:

Proportionate share June 30, 2023	0.17333%
Proportionate share June 30, 2024	<u>0.17755%</u>
Change - Increase (Decrease)	<u>0.00422%</u>

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 7: DEFINED BENEFIT PENSION PLAN, (CONTINUED)

#### ***Sensitivity of the proportionate share of the Net Pension Liability to changes in the discount rate***

The following presents the District's proportionate share of the net pension liability of the Miscellaneous Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability \$	13,208,087	\$ 8,587,247	\$ 4,783,615

#### ***Amortization of deferred outflows and deferred inflows of resources***

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

#### **D. Pension expense and deferred outflows and deferred inflows of resources related to pensions**

As of the start of the measurement period (July 1, 2023), the District's net pension liability was \$8,667,248. For the measurement period ending June 30, 2024 (the measurement date), the District incurred a pension expense of \$1,769,170.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

### NOTE 7: DEFINED BENEFIT PENSION PLAN, (CONTINUED)

As of June 30, 2025, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 742,446	\$ 28,970
Changes of Assumptions	220,710	-
Difference Between Projected and Actual Earnings on Pension Plan Investments	494,357	-
Change in Employer's Proportion	57,133	61,014
Difference in Actual vs Projected Contributions	182,490	21,077
Pension Contributions Subsequent to Measurement Date	1,241,197	-
<b>Total</b>	<u>\$ 2,938,333</u>	<u>\$ 111,061</u>

The amounts above are net of outflows and inflows recognized in the 2023-24 measurement period expense. Contributions subsequent to the measurement date of \$1,241,197 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Fiscal Year Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2026	\$ 546,932
2027	1,177,023
2028	31,530
2029	(169,410)
2030	-
Thereafter	-

### E. Payable to the pension plan

At June 30, 2025, the District reported a payable of \$0 for the outstanding contributions to the pension plan required for the year then ended.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 8: NET POSITION CLASSIFICATIONS

Net position in the statement of net position is classified as (1) net investment in capital assets, (2) restricted, or (3) unrestricted. The details of net position as of June 30, 2025 are presented below:

	<u>Water</u>	<u>Sewer</u>	<u>Balance</u>
Net investment in capital assets:			
Capital assets, net of accumulated depreciation/amortization	\$ 66,921,327	\$ 121,300,858	\$ 188,222,185
Less capital related debt balances	(1,191,702)	(18,825,844)	(20,017,546)
Less retentions payable included in accounts payable	-	(487,659)	(487,659)
Total net investment in capital assets	<u>65,729,625</u>	<u>101,987,355</u>	<u>167,716,980</u>
Restricted for:			
Debt reserve	-	298,707	298,707
Total restricted	<u>-</u>	<u>298,707</u>	<u>298,707</u>
Unrestricted:			
Unrestricted for:			
Capital reserve	33,106,723	19,390,223	52,496,946
Self-insurance	108,000	42,000	150,000
Other unrestricted	<u>5,445,546</u>	<u>24,088,602</u>	<u>29,534,148</u>
Total unrestricted	<u>38,660,269</u>	<u>43,520,825</u>	<u>82,181,094</u>
Total net position	<u>\$ 104,389,894</u>	<u>\$ 145,806,887</u>	<u>\$ 250,196,781</u>

### NOTE 9: DEFERRED COMPENSATION AGREEMENT

The District offers its employees a deferred compensation plan (DC Plan) created in accordance with Internal Revenue Code Section 457. The DC Plan, available to all of the District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

All amounts of compensation deferred under the DC Plan are held in trust and are not subject to the creditors of the District. Accordingly, the assets and liabilities of the DC Plan are not reflected on these financial statements.

# *Mission Springs Water District*

## **Notes to Financial Statements For the Fiscal Year Ended June 30, 2025**

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### **NOTE 10: COMMITMENTS AND CONTINGENCIES**

#### ***Grant awards***

The District has received funds for specific purposes that are subject to review and audit by the grantors. Although such audits could generate expenditure disallowances under terms of the grants or contracts, management believes that any required reimbursements will not be material.

#### ***Litigation***

Legal claims and lawsuits arise from time to time in the normal course of business, which, in the opinion of management, will have no material effect on the District's financial position.

#### ***Refunding agreements***

Refunding agreements are amounts due to developers for water and sewer systems donated to the District. Refunds are based on new connections to each system. The District is not liable for amounts not refunded at the expiration of an agreement.

The District has entered into agreements to partially reimburse developers for payments made to construct water and/or sewer lines donated to the District. Reimbursements are made from the front footage charges collected by the District when new connections are made to the lines.

### **NOTE 11: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. It is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is a risk-pooling, self-insurance authority, created under the provisions of California Government Code Sections 6500 et. seq. The purpose of the Insurance Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

On June 30, 2025, the District participated in the self-insurance program of the Insurance Authority as follows:

*Property Loss* – The Insurance Authority has pooled self-insurance up to \$150,000,000 per occurrence, except for Earthquake at \$2,500,000 program aggregate and Flood at \$25,000,000 per occurrence and has purchased excess insurance coverage up to \$150,000,000 (total insurable value of \$9,462,972), with deductibles ranging from \$2,500 to \$100,000.

*General, Auto and Public Officials Errors and Omissions Liability* – The Insurance Authority has pooled self-insurance up to \$5,000,000 and has purchased excess insurance coverage up to \$55,000,000, except for Terrorism at \$5,000,000 per occurrence, Communicable Disease at \$10,000,000 per occurrence and Subsidence, Lead and Mold at \$45,000,000 per occurrence.

# Mission Springs Water District

## Notes to Financial Statements For the Fiscal Year Ended June 30, 2025

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### NOTE 11: RISK MANAGEMENT, (CONTINUED)

*Cyber Liability* – The Insurance Authority has pooled self-insurance up to \$3,000,000 per occurrence subject to a \$5,000,000 aggregate limit.

*Crime insurance* – The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence and a deductible of \$1,000.

*Excess crime insurance* – The Insurance Authority has pooled self-insurance up to \$1,000,000 per occurrence and a deductible of \$100,000.

*Workers' Compensation* – The Insurance Authority has pooled self-insurance up to \$2,000,000 and purchases excess coverage for California Statutory Limits with a \$4,000,000 program aggregate limit for employers' liability coverage.

There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

### NOTE 12: RESTATEMENT OF BEGINNING BALANCES

Restatement of the Sewer fund beginning net position for the year ended June 30, 2025 is as follows:

	Sewer
Net position, beginning of year, as previously stated	\$ 131,396,655
Adjustment - error correction	(2,264,320)
Net position, beginning of year, as restated	<u>\$ 129,132,335</u>

The restatement for the Sewer fund was related to the reimbursable costs recognized as revenue in prior years but determined to be unallowable costs by the State Water Resources Control Board grant.



# REQUIRED SUPPLEMENTARY INFORMATION SECTION

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*Mission Springs Water District*

**Required Supplementary Information  
Schedule of the District's Proportionate Share of the Net Pension Liability and Related  
Ratios as of the Measurement Date  
Last 10 Years**

<b>Measurement date</b>	<b>Employer's proportion of the collective net pension liability <sup>1</sup></b>	<b>Employer's proportionate share of the collective net pension liability</b>	<b>Covered payroll</b>	<b>Employer's proportionate share of the collective net pension liability as a percentage of the employer's covered payroll</b>	<b>Pension plan's fiduciary net position as a percentage of the total pension liability</b>
June 30, 2015	0.085197%	\$ 5,847,823	\$ 2,604,796	224.50%	78.40%
June 30, 2016	0.076692%	6,636,212	2,583,022	256.92%	74.06%
June 30, 2017	0.072935%	7,233,188	2,828,491	255.73%	73.31%
June 30, 2018	0.070742%	6,816,901	3,130,723	217.74%	75.26%
June 30, 2019	0.068262%	6,994,867	3,321,379	210.60%	75.26%
June 30, 2020	0.065671%	7,145,304	3,803,501	187.86%	75.10%
June 30, 2021	0.073398%	3,969,586	4,042,901	98.19%	88.29%
June 30, 2022	0.069008%	7,970,980	4,066,480	196.02%	76.68%
June 30, 2023	0.069475%	8,667,248	4,876,177	177.75%	76.21%
June 30, 2024	0.070808%	8,587,247	5,010,091	171.40%	78.08%

<sup>1</sup> Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

# Mission Springs Water District

## Required Supplementary Information Schedule of Pension Plan Contributions Last 10 Years

Fiscal year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a Percentage of Covered Payroll
June 30, 2016	\$ 810,210	\$ (810,210)	\$ -	\$ 2,583,022	31.37%
June 30, 2017	879,168	(879,168)	-	2,828,491	31.08%
June 30, 2018	953,145	(953,145)	-	3,130,723	30.44%
June 30, 2019	1,027,933	(1,027,933)	-	3,321,379	30.95%
June 30, 2020	1,167,827	(1,167,827)	-	3,803,501	30.70%
June 30, 2021	911,046	(911,046)	-	4,042,901	22.53%
June 30, 2022	970,494	(970,494)	-	4,066,480	23.87%
June 30, 2023	1,105,654	(1,105,654)	-	4,876,177	22.67%
June 30, 2024	1,116,882	(1,116,882)	-	5,010,091	22.29%
June 30, 2025	1,241,197	(1,241,197)	-	5,176,346	23.98%

### Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that occurred after the June 30, 2023, valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Change in Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.



# SUPPLEMENTARY INFORMATION SECTION

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## *Mission Springs Water District*

### **Schedule of Operating Expenses by Natural Classification For the Year Ended June 30, 2025**

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	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>OPERATING EXPENSES</b>			
Salaries and wages	\$ 4,457,466	\$ 2,232,502	\$ 6,689,968
Employee benefits	1,348,411	651,739	2,000,150
Bank and administrative charges	141,385	67,474	208,859
Materials and supplies	1,747,790	446,166	2,193,956
Equipment rental	13,380	6,386	19,766
Outside services	1,629,714	1,301,164	2,930,878
Ground water replenishment fees	17,991	-	17,991
Utilities	2,065,256	459,592	2,524,848
Directors' fees	93,637	44,688	138,325
Engineering	10,910	-	10,910
Insurance	391,944	193,555	585,499
Penalties	12,051	5,751	17,802
Professional services	242,380	115,676	358,056
Office expense	99,817	47,637	147,454
Repairs and maintenance	5,562	5,740	11,302
Standby reports	13,791	4,119	17,910
Dues and subscriptions	1,916	2,887	4,803
Permits	78,856	114,251	193,107
Training and conferences	131,889	60,544	192,433
Ground water management	5,412	2,583	7,995
Depreciation and amortization	2,801,311	1,894,220	4,695,531
	<u>\$ 15,310,869</u>	<u>\$ 7,656,674</u>	<u>\$ 22,967,543</u>

*Mission Springs Water District*

**Schedule of Principal and Interest Repayments  
Note Payable – Certificated of Participation – United States Department of Agriculture**

<u>Date</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Principal Payment</u>	<u>Total Debt Service</u>	<u>Balance Principal Unpaid</u>
6/30/25		\$ -	\$ -	\$ -	\$ 212,301
8/1/25	4.500%	4,777	-	4,777	212,301
2/1/26	4.500%	4,777	9,400	14,177	202,901
8/1/26	4.500%	4,565	-	4,565	202,901
2/1/27	4.500%	4,565	9,800	14,365	193,101
8/1/27	4.500%	4,345	-	4,345	193,101
2/1/28	4.500%	4,345	10,200	14,545	182,901
8/1/28	4.500%	4,115	-	4,115	182,901
2/1/29	4.500%	4,115	10,700	14,815	172,201
8/1/29	4.500%	3,875	-	3,875	172,201
2/1/30	4.500%	3,875	11,100	14,975	161,101
8/1/30	4.500%	3,625	-	3,625	161,101
2/1/31	4.500%	3,625	11,600	15,225	149,501
8/1/31	4.500%	3,364	-	3,364	149,501
2/1/32	4.500%	3,364	12,200	15,564	137,301
8/1/32	4.500%	3,089	-	3,089	137,301
2/1/33	4.500%	3,089	12,700	15,789	124,601
8/1/33	4.500%	2,804	-	2,804	124,601
2/1/34	4.500%	2,804	13,300	16,104	111,301
8/1/34	4.500%	2,504	-	2,504	111,301
2/1/35	4.500%	2,504	13,900	16,404	97,401
8/1/35	4.500%	2,192	-	2,192	97,401
2/1/36	4.500%	2,192	14,500	16,692	82,901
8/1/36	4.500%	1,865	-	1,865	82,901
2/1/37	4.500%	1,865	15,200	17,065	67,701
8/1/37	4.500%	1,523	-	1,523	67,701
2/1/38	4.500%	1,523	15,800	17,323	51,901
8/1/38	4.500%	1,168	-	1,168	51,901
2/1/39	4.500%	1,168	16,500	17,668	35,401
8/1/39	4.500%	797	-	797	35,401
2/1/40	4.500%	797	17,300	18,097	18,101
8/1/40	4.500%	407	-	407	18,101
2/1/41	4.500%	407	18,101	18,508	-
		<u>\$ 90,030</u>	<u>\$ 212,301</u>	<u>\$ 302,331</u>	<u>\$ -</u>

*Mission Springs Water District*

**Schedule of Principal and Interest Repayments  
Note Payable – Installment Sale Agreement  
City National Bank - 2017**

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<u>Date</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Principal Payment</u>	<u>Total Debt Service</u>	<u>Balance Principal Unpaid</u>
6/30/25		\$ -	\$ -	\$ -	\$ 433,924
9/21/25	2.90%	6,292	138,708	145,000	295,216
3/21/26	2.90%	4,281	140,719	145,000	154,497
9/21/26	2.90%	2,240	50,760	53,000	103,737
3/21/27	2.90%	1,504	51,496	53,000	52,241
9/21/27	2.90%	757	52,241	52,998	-
		<u>\$ 15,074</u>	<u>\$ 433,924</u>	<u>\$ 448,998</u>	<u>\$ -</u>

*Mission Springs Water District*

**Schedule of Principal and Interest Repayments  
Note Payable – Installment Sale Agreement  
Holman Capital Corporation**

---

<u>Date</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Principal Payment</u>	<u>Total Debt Service</u>	<u>Balance Principal Unpaid</u>
6/30/25		\$ -	\$ -	\$ -	\$ 163,903
12/7/25	4.190%	3,442	8,750	12,192	155,153
6/7/26	4.190%	3,259	8,932	12,191	146,221
12/7/26	4.190%	3,071	9,120	12,191	137,101
6/7/27	4.190%	2,880	9,311	12,191	127,790
12/7/27	4.190%	2,685	9,506	12,191	118,284
6/7/28	4.190%	2,486	9,705	12,191	108,579
12/7/28	4.190%	2,283	9,908	12,191	98,671
6/7/29	4.190%	2,075	10,116	12,191	88,555
12/7/29	4.190%	1,863	10,328	12,191	78,227
6/7/30	4.190%	1,647	10,544	12,191	67,683
12/7/30	4.190%	1,426	10,765	12,191	56,918
6/7/31	4.190%	1,201	10,990	12,191	45,928
12/7/31	4.190%	970	11,113	12,083	34,815
6/7/32	4.190%	735	11,481	12,216	23,334
12/7/32	4.190%	495	11,623	12,118	11,711
6/7/33	4.190%	250	11,711	11,961	-
		<u>\$ 30,768</u>	<u>\$ 163,903</u>	<u>\$ 194,671</u>	<u>\$ -</u>

*Mission Springs Water District*

**Schedule of Principal and Interest Repayments  
State Revolving Fund Assessment District #12, Phase IV**

---

<u>Date</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Principal Payment</u>	<u>Total Debt Service</u>	<u>Balance Principal Unpaid</u>
6/30/25		\$ -	\$ -	\$ -	\$ 2,445,755
1/31/26	2.200%	53,807	248,703	302,510	2,197,052
1/31/27	2.200%	48,335	254,175	302,510	1,942,877
1/31/28	2.200%	42,743	259,767	302,510	1,683,110
1/31/29	2.200%	37,029	265,481	302,510	1,417,629
1/31/30	2.200%	31,188	271,322	302,510	1,146,307
1/31/31	2.200%	25,219	277,291	302,510	869,016
1/31/32	2.200%	19,118	283,392	302,510	585,624
1/31/33	2.200%	12,884	289,626	302,510	295,998
1/31/34	2.200%	6,511	295,998	302,509	-
		<u>\$ 276,834</u>	<u>\$ 2,445,755</u>	<u>\$ 2,722,589</u>	<u>\$ -</u>

## Mission Springs Water District

### Schedule of Principal and Interest Repayments Note Payable – Installment Sale Agreement City National Bank - 2013

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Date	Interest Rate	Interest Due	Principal Payment	Total Debt Service	Balance Principal Unpaid
6/30/25		\$ -	\$ -	\$ -	\$ 653,587
9/2/25	4.100%	13,399	32,524	45,923	621,063
3/2/26	4.100%	12,732	33,191	45,923	587,872
9/2/26	4.100%	12,051	33,873	45,924	553,999
3/2/27	4.100%	11,358	34,565	45,923	519,434
9/2/27	4.100%	10,648	35,275	45,923	484,159
3/2/28	4.100%	9,926	35,997	45,923	448,162
9/2/28	4.100%	9,188	36,735	45,923	411,427
3/2/29	4.100%	8,434	37,489	45,923	373,938
9/2/29	4.100%	7,666	38,257	45,923	335,681
3/2/30	4.100%	6,882	39,041	45,923	296,640
9/2/30	4.100%	6,081	39,842	45,923	256,798
3/2/31	4.100%	5,265	40,658	45,923	216,140
9/2/31	4.100%	4,431	41,492	45,923	174,648
3/2/32	4.100%	3,581	42,342	45,923	132,306
9/2/32	4.100%	2,712	43,211	45,923	89,095
3/2/33	4.100%	1,827	44,096	45,923	44,999
9/2/33	4.100%	917	44,999	45,916	-
		<u>\$ 127,098</u>	<u>\$ 653,587</u>	<u>\$ 780,685</u>	<u>\$ -</u>

*Mission Springs Water District*

**Schedule of Principal and Interest Repayments  
Note Payable – Installment Purchase Agreement**

---

<u>Date</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Principal Payment</u>	<u>Total Debt Service</u>	<u>Balance Principal Unpaid</u>
6/30/25		\$ -	\$ -	\$ -	\$15,000,000
7/1/25	3.95%	49,375	-	49,375	15,000,000
8/1/25	3.95%	49,375	-	49,375	15,000,000
9/1/25	3.95%	49,375	-	49,375	15,000,000
10/1/25	3.95%	49,375	-	49,375	15,000,000
11/1/25	3.95%	49,375	-	49,375	15,000,000
12/1/25	3.95%	49,375	-	49,375	15,000,000
1/1/26	3.95%	49,375	-	49,375	15,000,000
1/24/26	3.95%	49,375	15,000,000	15,049,375	-
		<u>\$ 395,000</u>	<u>\$ 15,000,000</u>	<u>\$ 15,395,000</u>	<u>\$ -</u>

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# STATISTICAL SECTION

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# Mission Springs Water District

## Table of Contents

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This part of District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about District's overall financial health.

### Contents

### Page

#### **Financial Trends**

These schedules contain information to help the reader understand how District's financial performance has changed over time.

<b>Table 1:</b> Net Position – Last Ten Fiscal Years .....	50
<b>Table 2:</b> Changes in Net Position – Last Ten Fiscal Years .....	51
<b>Table 3:</b> Summary of Revenues, Expenses and Changes in Net Position – Last Ten Fiscal Years .....	53
<b>Table 4:</b> Summary of Revenues and Expenses – Last Ten Fiscal Years .....	54
<b>Table 5:</b> Revenues by Source – Last Ten Fiscal Years .....	55
<b>Table 6:</b> Expenses by Function – Last Ten Fiscal Years .....	56

#### **Revenue Capacity**

These schedules contain information to help the reader understand District's revenue sources.

<b>Table 7:</b> Variable Water Rates – Last Ten Fiscal Years .....	57
<b>Table 8:</b> Fixed Water Rates – Last Ten Fiscal Years .....	58
<b>Table 9:</b> Water Deliveries – Last Ten Fiscal Years .....	59
<b>Table 10:</b> Top Ten Domestic Water Customers – Current Fiscal Year and Nine Years Ago .....	60
<b>Table 11:</b> Sewer Rates – Last Ten Fiscal Years .....	61
<b>Table 12:</b> Wastewater Treated – Last Ten Fiscal Years .....	62
<b>Table 13:</b> Top Ten Sewer Customers – Current Fiscal Year and Nine Years Ago .....	63
<b>Table 14:</b> Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years .....	64
<b>Table 15:</b> Assessed Value of Taxable Property – Last Ten Fiscal Years .....	65
<b>Table 16:</b> Net Taxable Assessed Value History – Last Ten Fiscal Years .....	66
<b>Table 17:</b> Top Ten Property Taxpayers – Current Fiscal Year and Nine Years Ago .....	67

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

<b>Table 18:</b> Computation of Legal Debt Margin – Last Ten Fiscal Years .....	68
<b>Table 19:</b> Ratio of Outstanding Debt by Type – Last Ten Fiscal Years.....	69
<b>Table 20:</b> Direct and Overlapping Debt .....	70

#### **Demographic Information**

These schedules offer demographic and economic information to help the reader understand the environment within which District's financial activities take place.

<b>Table 21:</b> Demographic and Economic Statistics in Riverside County – Last Ten Calendar Years .....	71
<b>Table 22:</b> Population of Major Cities in the Coachella Valley – Last Ten Calendar Years .....	72

# Mission Springs Water District

## Table of Contents

---

<b>Table 23:</b> Top Ten Employers in Riverside County - Current Fiscal Year and Nine Years Ago .....	73
--	----

### Operating Information

These schedules contain information about District's operations and infrastructure data to help the reader understand how District's financial report relates to the services that District provides and the activities it performs.

<b>Table 24:</b> Full-Time Equivalent Employees by Department – Last Ten Fiscal Years.....	74
<b>Table 25:</b> Water and Sewer Account Types .....	75
<b>Table 26:</b> Operating and Capacity Indicators .....	76
<b>Table 27:</b> Residential Water Rates Comparison .....	77
<b>Table 28:</b> Residential Sewer Rates Comparison.....	78

# Mission Springs Water District

**Table 1: Net Position  
Last Ten Fiscal Years**

## NET POSITION BY COMPONENT

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position	Percent Change
FY 2016	\$103,429,630	\$30,580,248	(\$4,799,094)	\$129,210,784	2.24%
FY 2017	\$108,859,676	\$35,645,632	(\$5,389,075)	\$139,116,233	7.67%
FY 2018	\$108,801,854	\$37,701,979	(\$3,635,803)	\$142,868,030	2.70%
FY 2019	\$109,194,048	\$40,875,774	(\$2,522,632)	\$147,547,190	3.28%
FY 2020	\$118,850,000	\$303,000	\$34,827,000	\$153,980,000	4.36%
FY 2021	\$121,188,282	\$302,510	\$40,013,656	\$161,504,448	4.89%
FY 2022	\$127,859,000	\$303,000	\$43,708,000	\$171,870,000	6.42%
FY 2023	\$141,112,000	\$1,637,000	\$67,489,000	\$210,238,000	22.32%
*FY 2024	\$160,827,106	\$243,614	\$67,707,225	\$228,777,945	8.82%
FY 2025	\$167,716,980	\$298,707	\$82,181,094	\$250,196,781	9.36%

Source:

Mission Springs Water District Audited Financial Statements

Notes:

Starting in 2020, the methodology for calculating Total Net Position was revised.

\* The Total Net Position for fiscal year 2024 was restated due to an error correction in reducing grant revenue by \$2,264,320.

# Mission Springs Water District

**Table 2: Changes in Net Position  
Last Ten Fiscal Years**

**REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

Operating Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	*FY 2024	FY 2025
Sales / Water Consumption	\$4,433,456	\$5,501,976	\$6,677,436	\$6,864,417	\$7,558,585	\$9,356,599	\$9,179,862	\$8,567,815	\$8,718,019	\$9,230,233
Services <sup>1</sup>	\$5,912,724	\$7,106,488	\$8,351,614	\$8,400,157	\$9,548,768	\$10,465,310	\$9,983,371	\$10,559,056	\$10,416,524	\$10,626,999
Standby Charges and Availability	\$242,476	\$242,938	\$240,591	\$232,867	\$240,367	\$230,368	\$226,363	\$228,579	\$221,794	\$228,834
Backup Facilities and Front Footage Fees <sup>2</sup>	\$0	\$0	\$0	\$0	\$584,190	\$734,803	\$951,789	\$1,271,040	\$409,961	\$1,363,206
Meter Installations	\$46,849	\$50,235	\$60,790	\$67,806	\$78,110	\$103,647	\$151,640	\$167,762	\$84,862	\$178,452
Other	\$528,617	\$720,488	\$961,266	\$585,989	\$775,972	\$977,639	\$2,383,185	\$1,691,376	\$1,750,310	\$1,016,140
<b>Total Operating Revenues</b>	<b>\$11,164,122</b>	<b>\$13,622,125</b>	<b>\$16,291,697</b>	<b>\$16,151,236</b>	<b>\$18,785,992</b>	<b>\$21,868,366</b>	<b>\$22,876,210</b>	<b>\$22,485,628</b>	<b>\$21,601,470</b>	<b>\$22,643,864</b>
Operating Expenses	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Pumping	\$1,645,671	\$1,696,551	\$2,128,390	\$2,107,363	\$2,202,807	\$2,208,877	\$2,622,863	\$3,349,241	\$3,638,037	\$3,114,613
Transmission and Distribution	\$1,108,651	\$1,339,396	\$1,305,307	\$1,242,961	\$1,310,407	\$1,566,907	\$1,507,366	\$2,138,374	\$2,344,025	\$2,609,426
Customer Accounts	\$1,155,160	\$1,097,461	\$1,178,383	\$1,064,860	\$1,114,728	\$1,227,391	\$1,250,969	\$1,275,292	\$1,173,089	\$1,212,385
Sewage Collection	\$145,064	\$134,877	\$173,698	\$108,160	\$368,193	\$310,414	\$437,653	\$337,078	\$712,786	\$296,793
Sewage Treatment	\$1,143,537	\$1,178,790	\$1,349,474	\$1,445,406	\$1,556,240	\$1,759,633	\$1,994,382	\$2,418,715	\$2,531,785	\$2,351,831
Standby	\$108,653	\$122,112	\$124,691	\$126,180	\$146,937	\$172,191	\$175,965	\$188,518	\$213,409	\$235,837
Groundwater Management	\$30,000	\$25,000	\$21,000	\$15,000	\$18,670	(\$12,731)	\$0	\$1,100	\$5,506	\$7,995
Public Affairs	\$211,603	\$194,182	\$210,048	\$348,927	\$347,275	\$313,826	\$505,895	\$1,042,893	\$1,070,157	\$1,169,241
Depreciation	\$3,967,486	\$3,917,383	\$3,997,997	\$4,002,490	\$4,029,625	\$4,026,005	\$4,094,703	\$4,725,075	\$4,715,290	\$4,695,531
General and Administrative <sup>3</sup>	\$3,149,804	\$3,852,468	\$4,246,183	\$4,875,414	\$5,907,409	\$5,843,252	\$6,197,486	\$4,648,796	\$5,592,337	\$7,273,891
<b>Total Operating Expenses</b>	<b>\$12,665,629</b>	<b>\$13,558,220</b>	<b>\$14,735,171</b>	<b>\$15,336,761</b>	<b>\$17,002,291</b>	<b>\$17,415,765</b>	<b>\$18,787,282</b>	<b>\$20,125,082</b>	<b>\$21,996,421</b>	<b>\$22,967,543</b>
<b>Operating Income (Loss)</b>	<b>(\$1,501,507)</b>	<b>\$63,905</b>	<b>\$1,556,526</b>	<b>\$814,475</b>	<b>\$1,783,701</b>	<b>\$4,452,601</b>	<b>\$4,088,928</b>	<b>\$2,360,546</b>	<b>(\$394,951)</b>	<b>(\$323,679)</b>

Source:

Mission Springs Water District Audited Financial Statements

Notes:

- Starting in 2020, the Operating Revenues categories "Basic Service Charge" and "Sewer Service" were combined into a single category "Services".
- Starting in 2020, the Non-Operating Revenues category "Backup Facilities and Front Footage Fees" was moved to the Operating Revenues.
- Starting in 2020, the Operating Expenses categories "Human Resources", "Building and Grounds Maintenance", "Vehicle Maintenance", "Operations Support", "Engineering", "Insurance", "Audit", "Rate Study", "Legal", "Board of Directors", "Administration", "Accounting", "Standby Reports", and "General District Allocation" were combined into a single category "General and Administrative".

\* The Total Net Position for fiscal year 2024 was restated due to an error correction in reducing grant revenue by \$2,264,320.

# Mission Springs Water District

**Table 2: Changes in Net Position  
Last Ten Fiscal Years**

**(Concluded)**

Non-Operating Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Property Taxes - General Purpose	\$1,625,177	\$1,671,275	\$1,777,903	\$2,125,683	\$1,915,871	\$2,129,487	\$2,330,086	\$2,734,186	\$2,535,108	\$4,467,738
Special Assessment - Debt Service	\$0	\$0	\$0	\$0	\$729,490	\$398,623	\$329,617	\$561,676	\$0	\$0
Investment Income, Net	\$724,909	\$772,152	\$827,198	\$1,796,115	\$1,091,983	\$95,722	(\$768,193)	\$569,505	\$2,350,424	\$3,368,864
Grants*	\$1,789,298	\$4,227,717	\$960,281	\$118,248	\$1,351,880	\$655,884	\$98,129	\$32,444,900	\$11,600,953	\$13,287,085
Other	\$0	\$0	\$0	\$0	\$165,738	\$49,666	\$202,072	\$303,280	\$145,540	\$101,304
Backup and Front Footage Fees <sup>2</sup>	\$322,860	\$3,365,298	\$814,690	\$603,235	\$0	\$0	\$0	\$0	\$0	\$0
Contributed Infrastructure	\$0	\$1,186,612	\$246,110	\$292,567	\$0	\$0	\$0	\$0	\$0	\$0
Recovery of Prior Year Expense	\$92	\$0	\$53,220	(\$1,500)	\$0	\$0	\$0	\$0	\$0	\$0
Gain from Asset Disposal - Net	\$4,359	(\$21,291)	(\$41,965)	(\$12,344)	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Non-Operating Revenues</b>	<b>\$4,466,695</b>	<b>\$11,201,763</b>	<b>\$4,637,437</b>	<b>\$4,922,004</b>	<b>\$5,254,962</b>	<b>\$3,329,382</b>	<b>\$2,191,711</b>	<b>\$36,613,547</b>	<b>\$16,632,025</b>	<b>\$21,224,991</b>
<b>Non-Operating Expenses</b>										
Interest	\$739,491	\$696,563	\$743,021	\$665,441	\$625,694	\$294,143	\$265,529	\$500,898	\$763,059	\$764,158
Other	\$4,601	\$14,107	\$16,410	\$15,097	\$59,015	\$35,349	\$281	\$156,297	\$53,093	\$52,741
Public Employees Retirement System - Prior Year Costs	\$330,640	\$342,759	\$359,953	\$375,341	\$0	\$0	\$0	\$0	\$0	\$0
Pension Inflows/Outflows of Resources	(\$946,657)	\$306,790	\$1,246,116	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Uncollectable Accounts	\$7,167	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization and Cost of Debt Issuance	\$0	\$0	\$76,666	\$1,440	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Non-Operating Expenses</b>	<b>\$135,242</b>	<b>\$1,360,219</b>	<b>\$2,442,166</b>	<b>\$1,057,319</b>	<b>\$684,709</b>	<b>\$329,492</b>	<b>\$265,810</b>	<b>\$657,195</b>	<b>\$816,152</b>	<b>\$816,899</b>
<b>Net Non-Operating Revenues</b>	<b>\$4,331,453</b>	<b>\$9,841,544</b>	<b>\$2,195,271</b>	<b>\$3,864,685</b>	<b>\$4,570,253</b>	<b>\$2,999,890</b>	<b>\$1,925,901</b>	<b>\$35,956,352</b>	<b>\$15,815,873</b>	<b>\$20,408,092</b>
<b>Capital Contributions</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,055</b>	<b>\$72,758</b>	<b>\$4,350,921</b>	<b>\$50,763</b>	<b>\$3,119,164</b>	<b>\$1,334,423</b>
<b>Change in Net Position</b>	<b>\$2,829,946</b>	<b>\$9,905,449</b>	<b>\$3,751,797</b>	<b>\$4,679,160</b>	<b>\$6,432,009</b>	<b>\$7,525,249</b>	<b>\$10,365,750</b>	<b>\$38,367,661</b>	<b>\$18,540,086</b>	<b>\$21,418,836</b>
<b>Net Position, Beginning of Year</b>	<b>\$126,380,838</b>	<b>\$129,210,784</b>	<b>\$139,116,233</b>	<b>\$142,868,030</b>	<b>\$147,547,190</b>	<b>\$153,979,199</b>	<b>\$161,504,448</b>	<b>\$171,870,198</b>	<b>\$210,237,859</b>	<b>\$228,777,945</b>
<b>Net Position, End of Year</b>	<b>\$129,210,784</b>	<b>\$139,116,233</b>	<b>\$142,868,030</b>	<b>\$147,547,190</b>	<b>\$153,979,199</b>	<b>\$161,504,448</b>	<b>\$171,870,198</b>	<b>\$210,237,859</b>	<b>\$228,777,945</b>	<b>\$250,196,781</b>

## Mission Springs Water District

**Table 3: Summary of Revenues, Expenses and Changes Net Position  
Last Ten Fiscal Years**

<b>SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>										
	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>*FY 2024</b>	<b>FY 2025</b>
Operating Revenues	\$5,251,398	\$6,515,637	\$7,940,083	\$7,751,079	\$18,785,992	\$21,868,366	\$22,876,210	\$22,485,628	\$21,601,470	\$22,643,864
Operating Expenses	\$12,665,629	\$13,558,220	\$14,735,171	\$15,336,761	\$17,002,291	\$17,415,765	\$18,787,282	\$20,125,082	\$21,996,421	\$22,967,543
<b>Operating Income (Loss)</b>	<b>(\$7,414,231)</b>	<b>(\$7,042,583)</b>	<b>(\$6,795,088)</b>	<b>(\$7,585,682)</b>	<b>\$1,783,701</b>	<b>\$4,452,601</b>	<b>\$4,088,928</b>	<b>\$2,360,546</b>	<b>(\$394,951)</b>	<b>(\$323,679)</b>
Non-Operating Revenues	\$4,466,695	\$11,201,763	\$4,637,437	\$4,922,004	\$5,254,962	\$3,329,382	\$2,191,711	\$36,613,547	\$16,632,025	\$21,224,991
Non-Operating Expenses	\$135,242	\$1,360,219	\$2,442,166	\$1,057,319	\$684,709	\$329,492	\$265,810	\$657,195	\$816,152	\$816,899
<b>Net Non-Operating Revenues</b>	<b>\$4,331,453</b>	<b>\$9,841,544</b>	<b>\$2,195,271</b>	<b>\$3,864,685</b>	<b>\$4,570,253</b>	<b>\$2,999,890</b>	<b>\$1,925,901</b>	<b>\$35,956,352</b>	<b>\$15,815,873</b>	<b>\$20,408,092</b>
Income Before Capital Contributions	(\$3,082,778)	\$2,798,961	(\$4,599,817)	(\$3,720,997)	\$6,353,954	\$7,452,491	\$6,014,829	\$38,316,898	\$15,420,922	\$20,084,413
Capital Contributions	\$0	\$0	\$0	\$0	\$78,055	\$72,758	\$4,350,921	\$50,763	\$3,119,164	\$1,334,423
<b>Change in Net Position</b>	<b>\$2,829,946</b>	<b>\$9,905,449</b>	<b>\$3,751,797</b>	<b>\$4,679,160</b>	<b>\$6,432,009</b>	<b>\$7,525,249</b>	<b>\$10,365,750</b>	<b>\$38,367,661</b>	<b>\$18,540,086</b>	<b>\$21,418,836</b>

Source:

Mission Springs Water District Audited Financial Statements

Notes:

\* The Total Net Position for fiscal year 2024 was restated due to an error correction in reducing grant revenue by \$2,264,320.

# Mission Springs Water District

**Table 4: Summary of Revenues and Expenses  
Last Ten Fiscal Years**

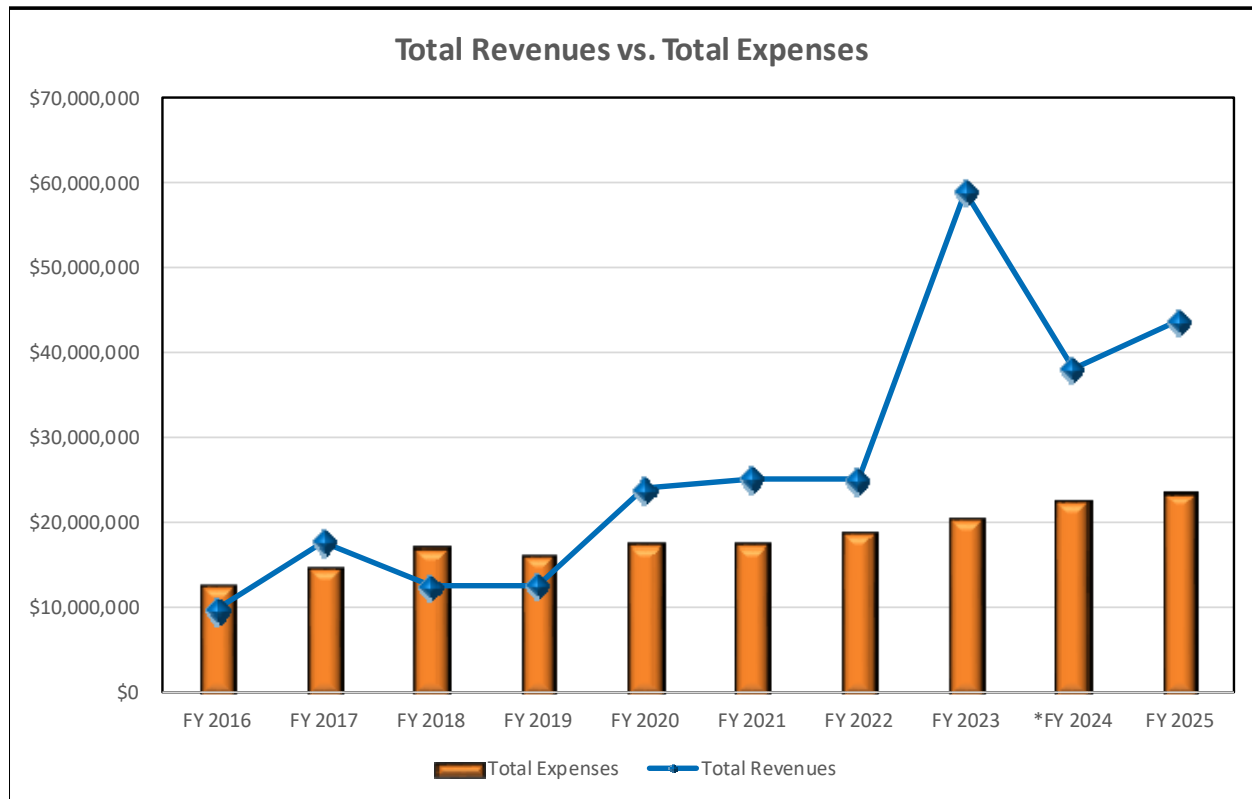
SUMMARY OF REVENUES AND EXPENSES			
Fiscal Year	Total Revenues	Total Expenses	Gain (Loss)
FY 2016	\$9,718,093	\$12,800,871	(\$3,082,778)
FY 2017	\$17,717,400	\$14,918,439	\$2,798,961
FY 2018	\$12,577,520	\$17,177,337	(\$4,599,817)
FY 2019	\$12,673,083	\$16,394,080	(\$3,720,997)
FY 2020	\$24,040,954	\$17,687,000	\$6,353,954
FY 2021	\$25,197,748	\$17,745,257	\$7,452,491
FY 2022	\$25,067,921	\$19,053,092	\$6,014,829
FY 2023	\$59,099,175	\$20,782,277	\$38,316,898
*FY 2024	\$38,233,495	\$22,812,573	\$15,420,922
FY 2025	\$43,868,855	\$23,784,442	\$20,084,413

Source:

Mission Springs Water District Audited Financial Statements

Notes:

\* The Total Revenue for fiscal year 2024 was restated due to an error correction in reducing grant revenue by \$2,264,320.



# Mission Springs Water District

**Table 5: Revenues by Source  
Last Ten Fiscal Years**

REVENUES BY SOURCE										
Operating Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	*FY 2024	FY 2025
Sales	\$4,433,456	\$5,501,976	\$6,677,436	\$6,864,417	\$7,558,585	\$9,356,599	\$9,179,862	\$8,567,815	\$8,718,019	\$9,230,233
Services <sup>1</sup>	\$5,912,724	\$7,106,488	\$8,351,614	\$8,400,157	\$9,548,768	\$10,465,310	\$9,983,371	\$10,559,056	\$10,416,524	\$10,626,999
Standby and Availability	\$242,476	\$242,938	\$240,591	\$232,867	\$240,367	\$230,368	\$226,363	\$228,579	\$221,794	\$228,834
Backup Facilities and Front Footage Fees <sup>2</sup>	\$0	\$0	\$0	\$0	\$584,190	\$734,803	\$951,789	\$1,271,040	\$409,961	\$1,363,206
Meter Installations	\$46,849	\$50,235	\$60,790	\$67,806	\$78,110	\$103,647	\$151,640	\$167,762	\$84,862	\$178,452
Other	\$528,617	\$720,488	\$961,266	\$585,989	\$775,972	\$977,639	\$2,383,185	\$1,691,376	\$1,750,310	\$1,016,140
<b>Total Operating Revenues</b>	<b>\$11,164,122</b>	<b>\$13,622,125</b>	<b>\$16,291,697</b>	<b>\$16,151,236</b>	<b>\$18,785,992</b>	<b>\$21,868,366</b>	<b>\$22,876,210</b>	<b>\$22,485,628</b>	<b>\$21,601,470</b>	<b>\$22,643,864</b>
Non-Operating Revenues	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Property Taxes - General Purpose	\$1,625,177	\$1,671,275	\$1,777,903	\$2,125,683	\$1,915,871	\$2,129,487	\$2,330,086	\$2,734,186	\$2,535,108	\$4,467,738
Special Assessment - Debt Service	\$0	\$0	\$0	\$0	\$729,490	\$398,623	\$329,617	\$561,676	\$0	\$0
Investment Income, Net	\$724,909	\$772,152	\$827,198	\$1,796,115	\$1,091,983	\$95,722	(\$768,193)	\$569,505	\$2,350,424	\$3,368,864
Grants*	\$1,789,298	\$4,227,717	\$960,281	\$118,248	\$1,351,880	\$655,884	\$98,129	\$32,444,900	\$11,600,953	\$13,287,085
Other	\$0	\$0	\$0	\$0	\$165,738	\$49,666	\$202,072	\$303,280	\$145,540	\$101,304
Backup and Front Footage Fees <sup>2</sup>	\$322,860	\$3,365,298	\$814,690	\$603,235	\$0	\$0	\$0	\$0	\$0	\$0
Contributed Infrastructure	\$0	\$1,186,612	\$246,110	\$292,567	\$0	\$0	\$0	\$0	\$0	\$0
Recovery of Prior Year Expense	\$92	\$0	\$53,220	(\$1,500)	\$0	\$0	\$0	\$0	\$0	\$0
Gain from Asset Disposal - Net	\$4,359	(\$21,291)	(\$41,965)	(\$12,344)	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Non-Operating Revenues</b>	<b>\$4,466,695</b>	<b>\$11,201,763</b>	<b>\$4,637,437</b>	<b>\$4,922,004</b>	<b>\$5,254,962</b>	<b>\$3,329,382</b>	<b>\$2,191,711</b>	<b>\$36,613,547</b>	<b>\$16,632,025</b>	<b>\$21,224,991</b>
<b>Total Revenues</b>	<b>\$15,630,817</b>	<b>\$24,823,888</b>	<b>\$20,929,134</b>	<b>\$21,073,240</b>	<b>\$24,040,954</b>	<b>\$25,197,748</b>	<b>\$25,067,921</b>	<b>\$59,099,175</b>	<b>\$38,233,495</b>	<b>\$43,868,855</b>

Source:

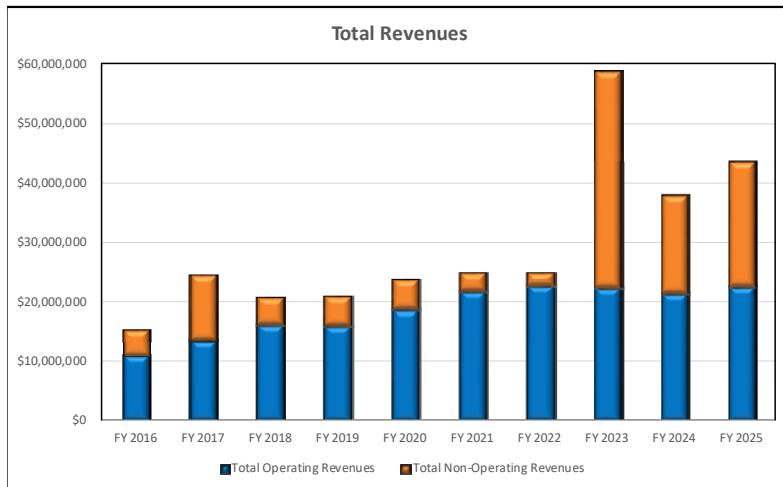
Mission Springs Water District Audited Financial Statements

Notes:

1. Starting in 2020, the Operating Revenues categories "Basic Service Charge" and "Sewer Service" were combined into a single category "Services".

2. Starting in 2020, the Non-Operating Revenues category "Backup Facilities and Front Footage Fees" was moved to the Operating Revenues.

\* Grant Revenue for fiscal year 2024 was restated due to an error correction in reducing grant revenue by \$2,264,320.



# Mission Springs Water District

**Table 6: Expenses by Function  
Last Ten Fiscal Years**

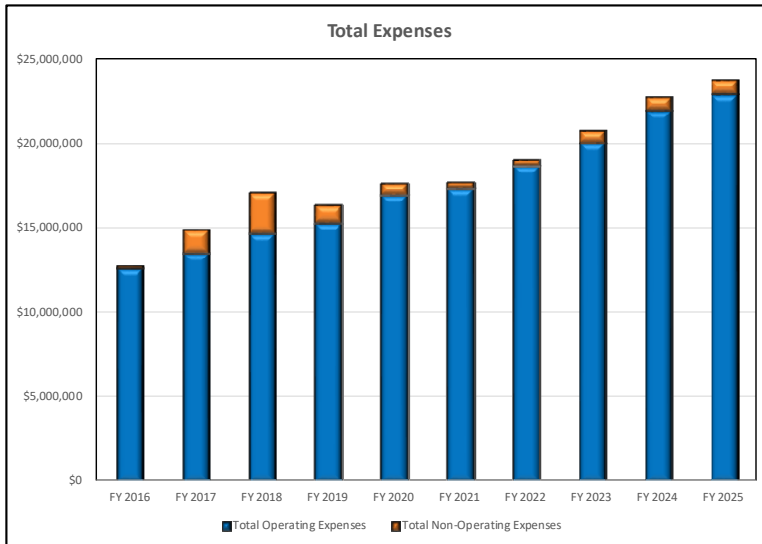
EXPENSES BY FUNCTION										
Operating Expenses	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Pumping	\$1,645,671	\$1,696,551	\$2,128,390	\$2,107,363	\$2,202,807	\$2,208,877	\$2,622,863	\$3,349,241	\$3,638,037	\$3,114,613
Transmission and Distribution	\$1,108,651	\$1,339,396	\$1,305,307	\$1,242,961	\$1,310,407	\$1,566,907	\$1,507,366	\$2,138,374	\$2,344,025	\$2,609,426
Customer Accounts	\$1,155,160	\$1,097,461	\$1,178,383	\$1,064,860	\$1,114,728	\$1,227,391	\$1,250,969	\$1,275,292	\$1,173,089	\$1,212,385
Sewage Collection	\$145,064	\$134,877	\$173,698	\$108,160	\$368,193	\$310,414	\$437,653	\$337,078	\$712,786	\$296,793
Sewage Treatment	\$1,143,537	\$1,178,790	\$1,349,474	\$1,445,406	\$1,556,240	\$1,759,633	\$1,994,382	\$2,418,715	\$2,531,785	\$2,351,831
Standby Wages	\$108,653	\$122,112	\$124,691	\$126,180	\$146,937	\$172,191	\$175,965	\$188,518	\$213,409	\$235,837
Groundwater Management	\$30,000	\$25,000	\$21,000	\$15,000	\$18,670	(\$12,731)	\$0	\$1,100	\$5,506	\$7,995
Public Affairs	\$211,603	\$194,182	\$210,048	\$348,927	\$347,275	\$313,826	\$505,895	\$1,042,893	\$1,070,157	\$1,169,241
General and Administrative <sup>1</sup>	\$3,149,804	\$3,852,468	\$4,246,183	\$4,875,414	\$5,907,409	\$5,843,252	\$6,197,486	\$4,725,075	\$5,592,337	\$7,273,891
Depreciation	\$3,967,486	\$3,917,383	\$3,997,997	\$4,002,490	\$4,029,625	\$4,026,005	\$4,094,703	\$4,648,796	\$4,715,290	\$4,695,531
<b>Total Operating Expenses</b>	<b>\$12,665,629</b>	<b>\$13,558,220</b>	<b>\$14,735,171</b>	<b>\$15,336,761</b>	<b>\$17,002,291</b>	<b>\$17,415,765</b>	<b>\$18,787,282</b>	<b>\$20,125,082</b>	<b>\$21,996,421</b>	<b>\$22,967,543</b>
<b>Non-Operating Expenses</b>										
Interest	\$739,491	\$696,563	\$743,021	\$665,441	\$625,694	\$294,143	\$265,529	\$500,898	\$763,059	\$764,158
Other	\$4,601	\$14,107	\$16,410	\$15,097	\$59,015	\$35,349	\$281	\$156,297	\$53,093	\$52,741
Public Employees Retirement System - Prior Year Costs	\$330,640	\$342,759	\$359,953	\$375,341	\$0	\$0	\$0	\$0	\$0	\$0
Pension Inflows/Outflows of Resources	(\$946,657)	\$306,790	\$1,246,116	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Uncollectable Accounts	\$7,167	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization and Cost of Debt Issuance	\$0	\$0	\$76,666	\$1,440	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Non-Operating Expenses</b>	<b>\$135,242</b>	<b>\$1,360,219</b>	<b>\$2,442,166</b>	<b>\$1,057,319</b>	<b>\$684,709</b>	<b>\$329,492</b>	<b>\$265,810</b>	<b>\$657,195</b>	<b>\$816,152</b>	<b>\$816,899</b>
<b>Total Expenses</b>	<b>\$12,800,871</b>	<b>\$14,918,439</b>	<b>\$17,177,337</b>	<b>\$16,394,080</b>	<b>\$17,687,000</b>	<b>\$17,745,257</b>	<b>\$19,053,092</b>	<b>\$20,782,277</b>	<b>\$22,812,573</b>	<b>\$23,784,442</b>

Source:

Mission Springs Water District Audited Financial Statements

Notes:

1. Starting in 2020, the Operating Expenses categories "Human Resources", "Building and Grounds Maintenance", "Vehicle Maintenance", "Operations Support", "Engineering", "Insurance", "Audit", "Rate Study", "Legal", "Board of Directors", "Administration", "Accounting", "Standby Reports", and "General District Allocation" were combined into a single category "General and Administrative".



# Mission Springs Water District

**Table 7: Variable Water Rates  
Last Ten Fiscal Years**

## VARIABLE WATER RATES

Fiscal Year	Single-Family Residential			Multi-Family Residential			Non-Residential	Irrigation
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3		
FY 2016	\$1.55	\$2.12	-	\$1.43	\$1.95	-	\$1.85	\$2.78
FY 2017	\$1.73	\$2.36	-	\$1.60	\$2.18	-	\$2.06	\$3.09
FY 2018	\$1.90	\$2.59	-	\$1.76	\$2.39	-	\$2.26	\$3.39
FY 2019	\$2.09	\$2.84	-	\$1.93	\$2.62	-	\$2.48	\$3.72
FY 2020	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08
FY 2021	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08
FY 2022	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08
FY 2023	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08
FY 2024	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08
FY 2025	\$2.29	\$3.11	-	\$2.12	\$2.87	-	\$2.72	\$4.08

Source:

Mission Springs Water District Resolution No. 2010-26

Mission Springs Water District Resolution No. 2016-05

Notes:

2013-2015	Tier 1 = 0-4 Billing Units	2016-2023	Tier 1 = 0-13 Billing Units
	Tier 2 = 5-14 Billing Units		Tier 2 = 14+ Billing Units
	Tier 3 = 15+ Billing Units		

# Mission Springs Water District

**Table 8: Fixed Water Rates  
Last Ten Fiscal Years**

## FIXED WATER RATES

Fiscal Year	Single Family Fixed Monthly Charge Based on Connection Size						
	0.75-inch	1-inch	1.5-inch	2-inch	3-inch	4-inch	6-inch
FY 2016	\$9.32	\$15.53	\$31.06	\$49.69	\$93.16	\$155.26	\$310.51
FY 2017	\$10.37	\$17.28	\$34.56	\$55.29	\$103.65	\$172.73	\$345.45
FY 2018	\$11.36	\$19.83	\$37.85	\$60.55	\$113.50	\$189.14	\$378.27
FY 2019	\$12.44	\$20.73	\$41.45	\$66.31	\$124.29	\$207.11	\$414.21
FY 2020	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56
FY 2021	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56
FY 2022	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56
FY 2023	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56
FY 2024	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56
FY 2025	\$13.63	\$22.70	\$45.39	\$72.61	\$136.10	\$226.79	\$453.56

Fiscal Year	Multi-Family Fixed Monthly Charge Based on Number of Units						
	0.75-inch	1-inch	1.5-inch	2-inch	3-inch	4-inch	6-inch
FY 2016	\$5.94	\$5.94	\$5.94	\$5.94	\$5.94	\$5.94	\$5.94
FY 2017	\$6.61	\$6.61	\$6.61	\$6.61	\$6.61	\$6.61	\$6.61
FY 2018	\$7.24	\$7.24	\$7.24	\$7.24	\$7.24	\$7.24	\$7.24
FY 2019	\$7.93	\$7.93	\$7.93	\$7.93	\$7.93	\$7.93	\$7.93
FY 2020	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69
FY 2021	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69
FY 2022	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69
FY 2023	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69
FY 2024	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69
FY 2025	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69	\$8.69

Source:

Mission Springs Water District Resolution No. 2010-26

Mission Springs Water District Resolution No. 2016-05

# Mission Springs Water District

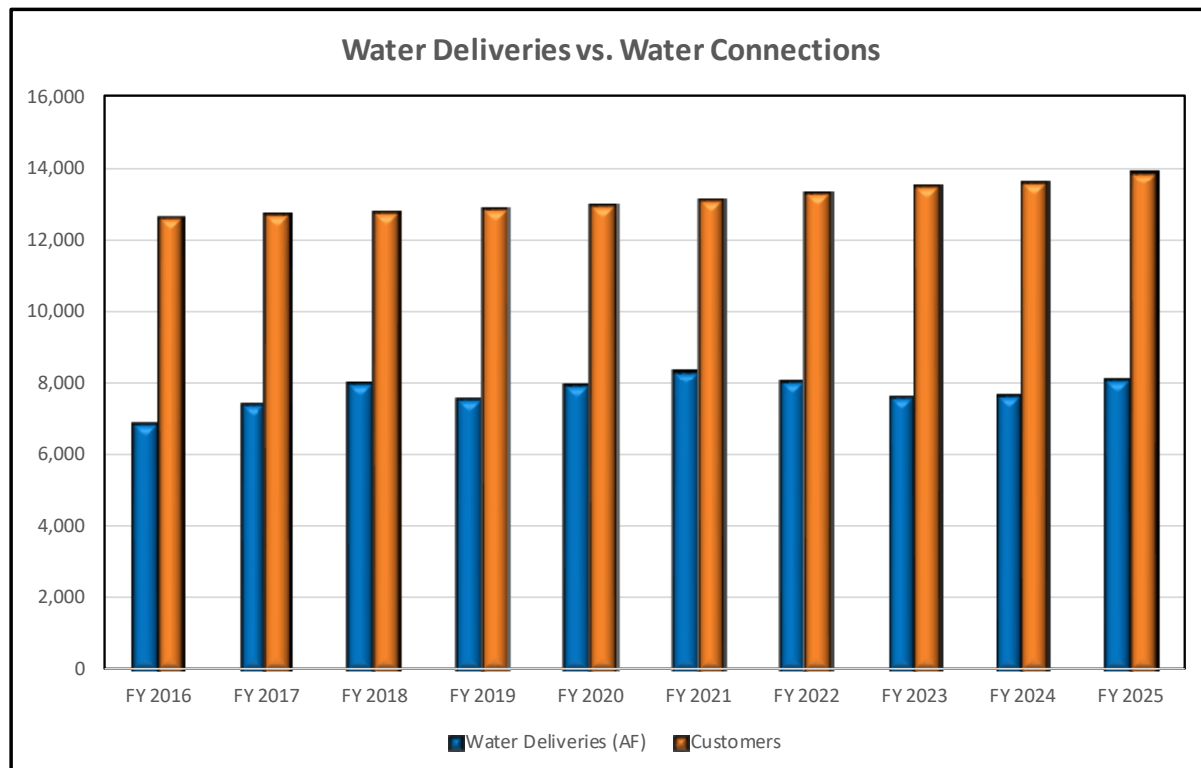
**Table 9: Water Deliveries  
Last Ten Fiscal Years**

## WATER DELIVERIES

Fiscal Year	Groundwater (AF)	Recycled Water (AF)	All Water Deliveries (AF)	Water Connections	% Residential Customers
FY 2016	6,904	0	6,904	12,680	95%
FY 2017	7,476	0	7,476	12,738	95%
FY 2018	8,017	0	8,017	12,826	95%
FY 2019	7,617	0	7,617	12,899	95%
FY 2020	7,982	0	7,982	12,991	95%
FY 2021	8,356	0	8,356	13,141	95%
FY 2022	8,094	0	8,094	13,337	95%
FY 2023	7,646	0	7,646	13,542	95%
FY 2024	7,693	0	7,693	13,635	95%
FY 2025	8,148	0	8,148	13,920	95%

Source:

Mission Springs Water District Water Production Reports



*Mission Springs Water District*

**Table 10: Top Ten Domestic Water Customers  
Current Fiscal Year and Nine Years Ago**

**TOP TEN DOMESTIC WATER CUSTOMERS**

Rank	Customer	FY 2025 Revenues	Percentage of Total FY 2025 Revenues
1	Palm Springs Unified School District	\$300,120.72	3.26%
2	Palm Springs Unified School District	\$108,433.38	1.18%
3	Henry Baghdady	\$103,929.00	1.13%
4	Blackstar Industrial Properties, LLC	\$85,353.60	0.93%
5	Breit Hidden Springs MHC, LLC	\$78,626.71	0.85%
6	Palm Springs Unified School District	\$76,983.24	0.84%
7	JMI General Engineering Contractor	\$73,157.12	0.80%
8	Two Bunch Palms, Bliss, LLC	\$67,063.57	0.73%
9	Morongo Industrial Owners Inc	\$63,036.00	0.69%
10	Palm Springs Unified School District	\$60,521.60	0.66%
<b>FY 2025 Top Ten Total</b>		<b>\$1,017,224.94</b>	<b>11.06%</b>
<b>FY 2025 District Total</b>		<b>\$9,198,092.16</b>	<b>100.00%</b>

Rank	Customer	FY 2016 Revenues	Percentage of Total FY 2016 Revenues
1	Palm Springs Unified School District	\$114,688.00	2.60%
2	Two Bunch Palms, Bliss, LLC	\$97,093.66	2.20%
3	Henry Baghdady	\$44,825.37	1.01%
4	Hidden Springs Country Club	\$44,033.78	1.00%
5	Palm Springs Unified School District	\$40,311.19	0.91%
6	Caliente Springs	\$36,492.56	0.83%
7	Mission Lakes CC Condos, HOA	\$30,638.09	0.69%
8	Palm Springs Unified School District	\$28,340.66	0.64%
9	Palm Drive Investors, LLC	\$26,081.06	0.59%
10	Sky Haven Homeowners Inc	\$24,185.21	0.55%
<b>FY 2016 Top Ten Total</b>		<b>\$486,689.58</b>	<b>11.02%</b>
<b>FY 2016 District Total</b>		<b>\$4,418,386.31</b>	<b>100.00%</b>

Source:

Mission Springs Water District Billing System

# Mission Springs Water District

**Table 11: Sewer Rates  
Last Ten Fiscal Years**

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## SEWER RATES

Fiscal Year	Single-Family Residential	Multi-Family Residential per Unit	Non-Residential
FY 2016	\$36.92	\$23.51	\$2.46-\$6.88
FY 2017	\$40.98	\$26.10	\$2.73-\$7.65
FY 2018	\$45.49	\$28.98	\$3.04-\$8.50
FY 2019	\$47.77	\$30.43	\$3.20-\$8.93
FY 2020	\$50.16	\$31.96	\$3.36-\$9.38
FY 2021	\$50.16	\$31.96	\$3.36-\$9.38
FY 2022	\$50.16	\$31.96	\$3.36-\$9.38
FY 2023	\$50.16	\$31.96	\$3.36-\$9.38
FY 2024	\$50.16	\$31.96	\$3.36-\$9.38
FY 2025	\$50.16	\$31.96	\$3.36-\$9.38

Source:

Mission Springs Water District Resolution No. 2010-26

Mission Springs Water District Resolution No. 2016-05

# Mission Springs Water District

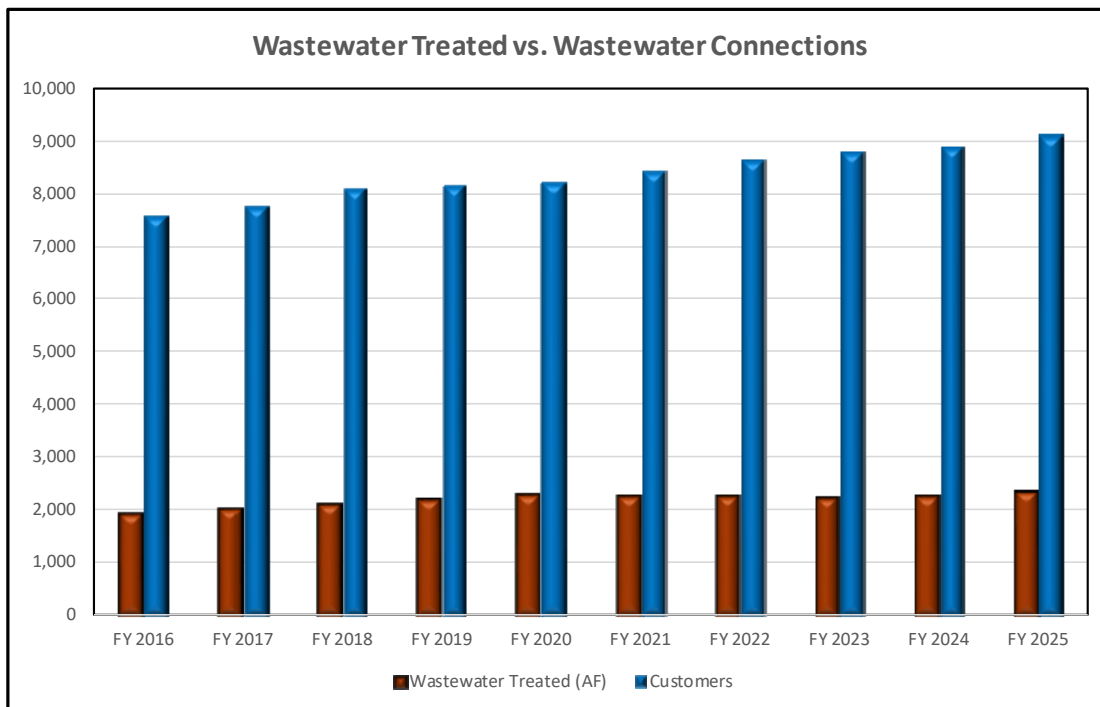
**Table 12: Wastewater Treated  
Last Ten Fiscal Years**

## WASTEWATER TREATED

Fiscal Year	Wastewater Treated (AF)	Wastewater Connections	% Residential Customers
FY 2016	1,923	7,611	90%
FY 2017	2,031	7,796	90%
FY 2018	2,109	8,113	97%
FY 2019	2,198	8,173	97%
FY 2020	2,286	8,234	97%
FY 2021	2,269	8,467	97%
FY 2022	2,282	8,665	97%
FY 2023	2,238	8,836	97%
FY 2024	2,274	8,919	97%
FY 2025	2,355	9,154	97%

Source:

Mission Springs Water District Wastewater Reports



## Mission Springs Water District

**Table 13: Top Ten Sewer Customers  
Current Fiscal Year and Nine Years Ago**

### TOP TEN SEWER CUSTOMERS

Rank	Customer	FY 2025 Revenues	Percentage of Total FY 2025 Revenues
1	Sky Haven Homeowners Inc	\$74,581.50	6.64%
2	Mission Lakes CC Condos HOA	\$64,078.32	5.71%
3	Jennifer Chen	\$46,313.13	4.12%
4	Morongo Equity Partners III, LLC	\$44,743.00	3.98%
5	Vons Co #2177 V #8539	\$33,270.86	2.96%
6	Morongo Equity Partners III, LLC	\$28,958.72	2.58%
7	Michael Bickford	\$28,413.23	2.53%
8	Desert Inn Hotel/Spa	\$23,049.41	2.05%
9	Stater Bros. Mkt #84	\$22,521.38	2.01%
10	Quick Quack Car Wash	\$20,386.05	1.82%
<b>FY 2025 Top Ten Total</b>		<b>\$386,315.60</b>	<b>34.40%</b>
<b>FY 2025 District Total</b>		<b>\$1,123,087.31</b>	<b>100.00%</b>

Rank	Customer	FY 2016 Revenues	Percentage of Total FY 2016 Revenues
1	Henry Baghdady	\$58,752.96	1.35%
2	Sky Haven Homeowners Inc	\$55,884.30	1.28%
3	Mission Lakes CC Condos, HOA	\$48,146.49	1.10%
4	Vons Co #2177 V #8539	\$45,978.08	1.06%
5	Desert Inn Hotel/Spa	\$43,113.80	0.99%
6	Jennifer Chen	\$42,675.44	0.98%
7	HPD Desert Hot Springs	\$30,951.32	0.71%
8	Stater Bros. Mkt #84	\$19,306.68	0.44%
9	Valentine Laundry Inc	\$15,485.44	0.36%
10	Michael Bickford	\$15,279.60	0.35%
<b>FY 2016 Top Ten Total</b>		<b>\$375,574.11</b>	<b>8.62%</b>
<b>FY 2016 District Total</b>		<b>\$4,357,566.51</b>	<b>100.00%</b>

Source:

Mission Springs Water District Billing System

# Mission Springs Water District

**Table 14: Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$100 OF TAXABLE VALUE)**

Agency	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Banning Unified School District	0.10826	0.10573	0.14473	0.14278	0.14526	0.14500	0.14588	0.14609	0.14871	0.14871
Coachella Valley Water District	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.11000	0.11000	0.11000	0.11000
Desert Community College District	0.02087	0.02036	0.04030	0.03978	0.03983	0.03947	0.03950	0.03950	0.03950	0.03950
Desert Water Agency	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.08000	0.07000
Mt. San Jacinto Jr College	0.01394	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320	0.01320	0.00268
Palm Springs Unified B & I 1992-A District	0.08978	0.11802	0.11146	0.10603	0.10542	0.10334	0.15030	0.15187	0.14493	0.10650
San Geronio Pass Memorial Hospital District	0.08143	0.08357	0.09052	0.08692	0.06990	0.06716	0.06281	0.06242	0.06200	0.04607
San Geronio Pass Water Agency	0.18500	0.18500	0.18250	0.18250	0.17750	0.17500	0.17500	0.17500	0.17500	0.07500
<b>Total Direct &amp; Overlapping<sup>2</sup> Tax Rates</b>	<b>1.69928</b>	<b>1.72588</b>	<b>1.78271</b>	<b>1.77121</b>	<b>1.75111</b>	<b>1.74317</b>	<b>1.79669</b>	<b>1.79808</b>	<b>1.77334</b>	<b>1.59846</b>
<b>Agency's Share of 1% Levy per Prop 13<sup>3</sup></b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02446</b>	<b>0.02436</b>
<b>Voter Approved Agency Debt Rate</b>										
<b>Redevelopment Rate<sup>4</sup></b>										
<b>Total Direct Rate<sup>5</sup></b>	<b>0.01425</b>	<b>0.01361</b>	<b>0.01342</b>	<b>0.01347</b>	<b>0.01313</b>	<b>0.01296</b>	<b>0.01289</b>	<b>0.01283</b>	<b>0.01281</b>	<b>0.01408</b>

Source:

Riverside County Assessor Tax Rate Tables

Notes:

1. In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

2. Overlapping rates are those of local and county governments that apply to property owners within the Agency. Not all overlapping rates apply to all property owners.

3. Agency's Share of 1% Levy is based on the Agency's share of the general fund tax rate area with the largest net taxable value within the Agency. The ERAF portion of the Agency's Levy has been subtracted where known.

4. Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

5. Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas.

Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

# Mission Springs Water District

**Table 15: Assessed Value of Taxable Property  
Last Ten Fiscal Years (In Thousands)**

ASSESSED VALUE OF TAXABLE PROPERTY										
Category	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Residential	\$1,434,323,191	\$1,495,952,584	\$1,616,750,150	\$1,727,453,840	\$1,823,597,231	\$1,933,050,804	\$2,066,482,768	\$2,323,560,087	\$2,619,771,490	\$2,843,629,582
Commercial	\$159,164,283	\$181,276,635	\$188,438,046	\$200,658,826	\$228,056,273	\$239,082,279	\$250,467,173	\$267,337,021	\$290,203,662	\$299,032,917
Industrial	\$46,878,318	\$64,567,853	\$86,011,514	\$111,245,462	\$169,136,530	\$275,003,321	\$324,393,156	\$376,693,291	\$427,744,258	\$476,350,682
Agricultural	\$504,035	\$511,425	\$601,266	\$612,904	\$68,397,704	\$70,087,217	\$80,466,145	\$86,412,272	\$101,186,182	\$105,529,061
Government Owned	\$0	\$0	\$0	\$11,272	\$11,497	\$11,726	\$4,384	\$4,468	\$4,556	\$4,644
Institutional	\$1,250,087	\$1,269,138	\$4,688,273	\$588,937	\$1,020,296	\$1,166,955	\$1,179,039	\$1,752,616	\$1,415,769	\$1,992,576
Miscellaneous	\$6,066,757	\$1,738,188	\$1,772,944	\$2,041,898	\$1,322,578	\$1,405,155	\$1,419,710	\$1,448,101	\$1,467,168	\$1,496,509
Recreational	\$8,454,239	\$8,552,730	\$8,672,878	\$8,838,348	\$8,975,429	\$9,154,931	\$9,228,803	\$9,413,374	\$10,569,498	\$7,377,082
Vacant	\$338,326,797	\$368,951,527	\$373,836,157	\$398,810,697	\$332,454,088	\$324,075,481	\$314,207,985	\$375,831,575	\$381,479,611	\$430,048,889
SBE Nonunitary	\$601,217,562	\$682,500,562	\$627,700,562	\$572,699,772	\$531,683,210	\$498,883,210	\$470,383,210	\$414,446,890	\$405,408,890	\$305,837,890
Cross Reference	\$21,915,545	\$22,459,694	\$22,550,375	\$25,122,982	\$25,343,213	\$26,539,170	\$27,674,679	\$27,926,619	\$31,353,165	\$33,010,868
Unsecured	\$279,654,556	\$261,465,368	\$254,566,068	\$246,537,461	\$221,683,767	\$224,869,786	\$209,919,920	\$198,937,767	\$357,283,769	\$798,638,688
Exempt	\$22,393,576	\$23,054,094	\$20,560,731	\$21,785,986	\$0	\$0	\$0	\$0	\$0	\$0
Unknown	\$0	\$0	\$0	\$0	\$3,159,899	\$3,219,429	\$214,130	\$1,117	\$1,139	\$0
<b>Totals<sup>1</sup></b>	<b>\$2,897,755,370</b>	<b>\$3,089,245,704</b>	<b>\$3,185,588,233</b>	<b>\$3,294,622,399</b>	<b>\$3,414,841,715</b>	<b>\$3,606,549,464</b>	<b>\$3,756,041,102</b>	<b>\$4,083,765,198</b>	<b>\$4,627,889,157</b>	<b>\$5,302,949,388</b>
<b>Total Direct Rate</b>	<b>0.01425</b>	<b>0.01361</b>	<b>0.01342</b>	<b>0.01347</b>	<b>0.01313</b>	<b>0.01296</b>	<b>0.01289</b>	<b>0.01283</b>	<b>0.01281</b>	<b>0.01408</b>

Source:

Riverside County Assessor Combined Tax Rolls

Notes:

1. Exempt values are not included in the Totals.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

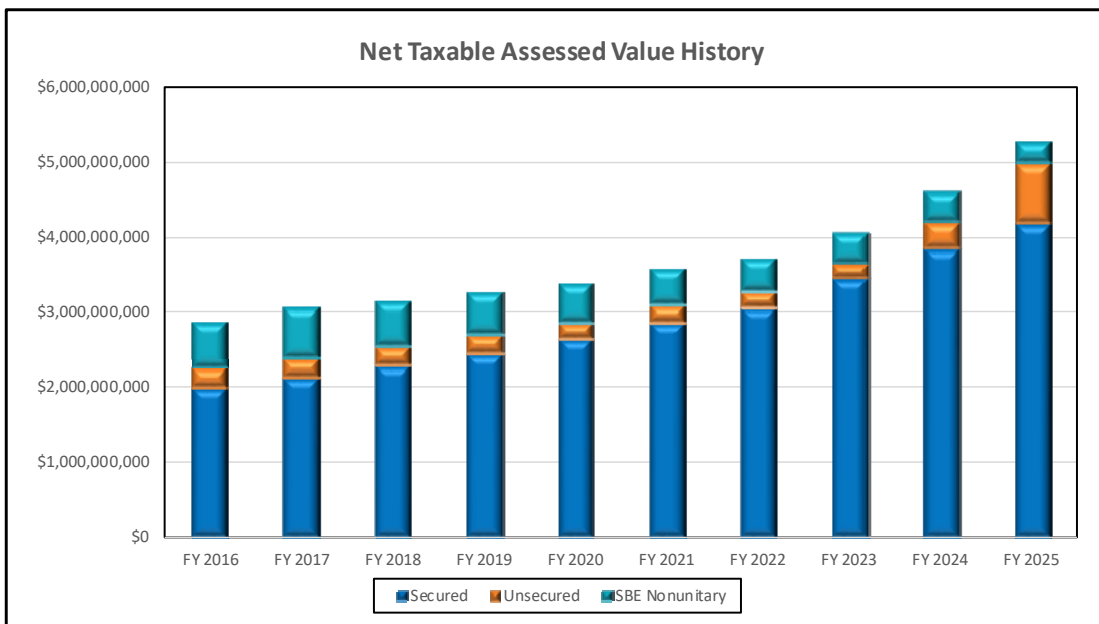
# Mission Springs Water District

**Table 16: Net Taxable Assessed Value History  
Last Ten Fiscal Years**

**NET TAXABLE ASSESSED VALUE HISTORY**

Fiscal Year	Secured	Unsecured	SBE Nonunitary	Net Total Assessed Value	Percent Increase/Decrease
FY 2016	\$2,016,883,252	\$279,654,556	\$601,217,562	\$2,897,755,370	
FY 2017	\$2,145,279,774	\$261,465,368	\$682,500,562	\$3,089,245,704	6.61%
FY 2018	\$2,303,321,603	\$254,566,068	\$627,700,562	\$3,185,588,233	3.12%
FY 2019	\$2,475,385,166	\$246,537,461	\$572,699,772	\$3,294,622,399	3.42%
FY 2020	\$2,661,474,738	\$221,683,767	\$531,683,210	\$3,414,841,715	3.65%
FY 2021	\$2,882,796,468	\$224,869,786	\$498,883,210	\$3,606,549,464	5.61%
FY 2022	\$3,075,737,972	\$209,919,920	\$470,383,210	\$3,756,041,102	4.15%
FY 2023	\$3,470,380,541	\$198,937,767	\$414,446,890	\$4,083,765,198	8.73%
FY 2024	\$3,865,196,498	\$357,283,769	\$405,408,890	\$4,627,889,157	13.32%
FY 2025	\$4,198,472,810	\$798,638,688	\$305,837,890	\$5,302,949,388	14.59%
<b>Average % Change</b>					<b>7.02%</b>

Source:  
Riverside County Assessor Combined Tax Rolls



# Mission Springs Water District

**Table 17: Top Ten Property Taxpayers  
Current Fiscal Year and Nine Years Ago**

### TOP TEN PROPERTY TAXPAYERS

Rank	Taxpayer	FY 2025 Secured Taxable Assessed Value	Percent of FY 2025 Total District Secured Taxable Assessed Value	FY 2025 Unsecured Taxable Assessed Value	Percent of FY 2025 Total District Unsecured Taxable Assessed Value	FY 2025 Total Taxable Assessed Value	Percent of FY 2025 Total District Taxable Assessed Value
1	Desert Peak Energy Storage	\$0	0.00%	\$377,288,044	47.24%	\$377,288,044	7.11%
2	Sentinel Energy Center LLC	\$293,100,000	6.51%	\$0	0.00%	\$293,100,000	5.53%
3	Mesa Wind Power Corporation	\$2,139,735	0.05%	\$76,061,959	9.52%	\$78,201,694	1.47%
4	IIP - California 6	\$62,030,769	1.38%	\$0	0.00%	\$62,030,769	1.17%
5	AM Wind Repower	\$2,437,405	0.05%	\$58,281,180	7.30%	\$60,718,585	1.14%
6	Windpower Partners 1993 LP	\$360,480	0.01%	\$47,557,544	5.95%	\$47,918,024	0.90%
7	Mountain View Power Partners LLC	\$2,944,849	0.07%	\$38,189,340	4.78%	\$41,134,189	0.78%
8	IIP - California 2	\$36,600,829	0.81%	\$0	0.00%	\$36,600,829	0.69%
9	Dillon Wind LLC	\$66,500	0.00%	\$26,986,737	3.38%	\$27,053,237	0.51%
10	Kings Garden Inc	\$0	0.00%	\$26,803,497	3.36%	\$26,803,497	0.51%
<b>FY 2025 Top Ten Total</b>		<b>\$399,680,567</b>	<b>8.87%</b>	<b>\$651,168,301</b>	<b>81.53%</b>	<b>\$1,050,848,868</b>	<b>19.82%</b>
<b>FY 2025 District Total</b>		<b>\$4,504,310,700</b>	<b>100.00%</b>	<b>\$798,638,688</b>	<b>100.00%</b>	<b>\$5,302,949,388</b>	<b>100.00%</b>

Rank	Taxpayer	FY 2016 Secured Taxable Assessed Value	Percent of FY 2016 Total District Secured Taxable Assessed Value	FY 2016 Unsecured Taxable Assessed Value	Percent of FY 2016 Total District Unsecured Taxable Assessed Value	FY 2016 Total Taxable Assessed Value	Percent of FY 2016 Total District Taxable Assessed Value
1	CPV Sentinel LLC	\$558,311,431	21.33%	\$0	0.00%	\$558,311,431	19.27%
2	Mountain View Power Partners LLC	\$2,452,759	0.09%	\$74,693,417	26.71%	\$77,146,176	2.66%
3	Windpower Partners 1993 LP	\$305,940	0.01%	\$59,497,327	21.28%	\$59,803,267	2.06%
4	Indigo Generation LLC	\$42,974,000	1.64%	\$0	0.00%	\$42,974,000	1.48%
5	Dillon Wind LLC	\$56,448	0.00%	\$35,076,165	12.54%	\$35,132,613	1.21%
6	Shell Wind Energy LLC	\$0	0.00%	\$21,347,517	7.63%	\$21,347,517	0.74%
7	Walton California LLC	\$16,344,929	0.62%	\$0	0.00%	\$16,344,929	0.56%
8	San Gorgonio Westwinds II LLC	\$0	0.00%	\$14,463,597	5.17%	\$14,463,597	0.50%
9	Robin S Trotochau	\$13,761,710	0.53%	\$0	0.00%	\$13,761,710	0.47%
10	Hany H Baghdady	\$12,384,160	0.47%	\$0	0.00%	\$12,384,160	0.43%
<b>FY 2016 Top Ten Total</b>		<b>\$646,591,377</b>	<b>24.70%</b>	<b>\$205,078,023</b>	<b>73.33%</b>	<b>\$851,669,400</b>	<b>29.39%</b>
<b>FY 2016 District Total</b>		<b>\$2,618,100,814</b>	<b>100.00%</b>	<b>\$279,654,556</b>	<b>100.00%</b>	<b>\$2,897,755,370</b>	<b>100.00%</b>

Source:

Riverside County Assessor Combined Tax Rolls and the SBE Nonunitary Tax Roll

# Mission Springs Water District

**Table 18: Computation of Legal Debt Margin  
Last Ten Fiscal Years**

COMPUTATION OF LEGAL DEBT MARGIN										
Category	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Assessed Value	\$2,897,755,370	\$3,089,245,704	\$3,185,588,233	\$3,294,622,399	\$3,414,841,715	\$3,606,549,464	\$3,756,041,102	\$4,083,765,198	\$4,627,674,297	\$5,231,742,561
Conversion Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	\$724,438,843	\$772,311,426	\$796,397,058	\$823,655,600	\$853,710,429	\$901,637,366	\$939,010,276	\$1,020,941,300	\$1,156,917,574	\$1,307,935,640
Debt Limit Percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Legal Debt Limit	\$108,665,826	\$115,846,714	\$119,459,559	\$123,548,340	\$128,056,564	\$135,245,605	\$140,851,541	\$153,141,195	\$173,537,786	\$196,190,346
Outstanding Debt	\$12,009,674	\$11,342,954	\$10,784,906	\$10,268,005	\$9,638,029	\$8,989,651	\$8,321,297	\$7,632,280	\$20,005,717	\$20,017,546
Net Applicable to Limit	\$12,009,674	\$11,342,954	\$10,784,906	\$10,268,005	\$9,638,029	\$8,989,651	\$8,321,297	\$7,632,280	\$20,005,717	\$20,017,546
Legal Debt Margin	\$96,656,152	\$104,503,760	\$108,674,653	\$113,280,335	\$118,418,535	\$126,255,954	\$132,530,244	\$145,508,915	\$153,532,069	\$162,449,004
Total Debt Applicable to the Limit as a Percentage of Debt Limit	11%	10%	9%	8%	8%	7%	6%	5%	13%	3%

Source:

Riverside County Assessor Combined Tax Rolls

Notes:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value.

Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computation shown above, reflect a conversion of assessed

valuation data for each fiscal year from the current full valuation perspective, to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

# Mission Springs Water District

**Table 19: Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years**

**RATIO OF OUTSTANDING DEBT BY TYPE**

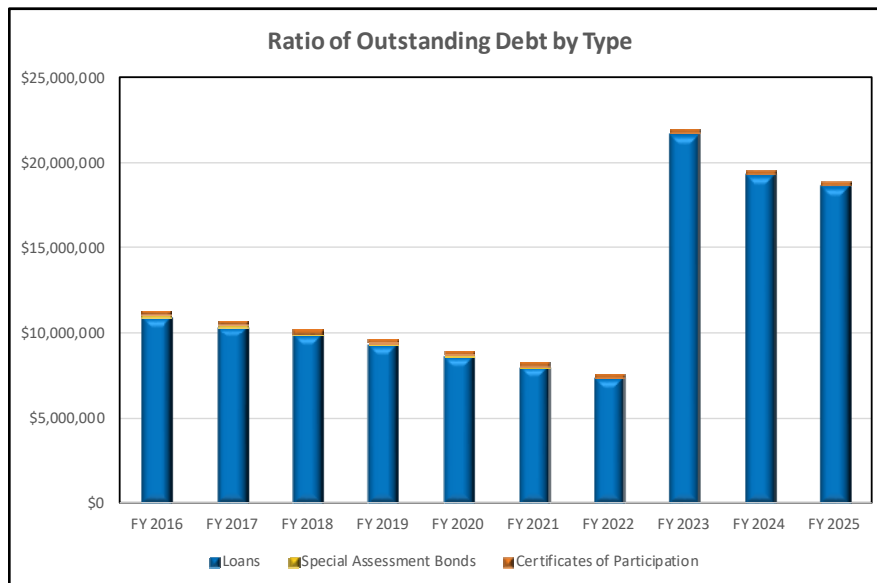
Fiscal Year	Loans	Lease Payable	Subscription Payable	Special Assessment Bonds	Certificates of Participation	Total of Outstanding Debt	Percentage of Personal Income <sup>1</sup>	Debt per Capita <sup>2</sup>
FY 2016	\$10,923,553	\$0	\$0	\$139,000	\$280,401	\$11,342,954		\$392.69
FY 2017	\$10,384,805	\$0	\$0	\$126,000	\$274,101	\$10,784,906	0.019%	\$367.50
FY 2018	\$9,888,504	\$0	\$0	\$112,000	\$267,501	\$10,268,005	0.017%	\$355.48
FY 2019	\$9,280,428	\$0	\$0	\$97,000	\$260,601	\$9,638,029	0.015%	\$333.75
FY 2020	\$8,654,250	\$0	\$0	\$82,000	\$253,401	\$8,989,651	0.013%	\$303.59
FY 2021	\$8,009,396	\$0	\$0	\$66,000	\$245,901	\$8,321,297	0.011%	\$256.92
FY 2022	\$7,345,279	\$452,019	\$0	\$49,000	\$238,001	\$7,632,280	0.010%	\$234.06
FY 2023	\$21,661,284	\$588,272	\$209,082	\$31,000	\$229,801	\$21,922,085	0.029%	\$694.81
FY 2024	\$19,292,080	\$390,585	\$85,851	\$16,000	\$221,201	\$20,005,717	0.023%	\$568.85
FY 2025	\$18,697,169	\$1,078,545	\$29,531	\$0	\$212,301	\$20,017,546	0.022%	\$548.73

Source:

Mission Springs Water District Audited Financial Statements

Notes:

1. Using Riverside County total personal income for prior calendar year
2. Using the City of Desert Hot Springs total population for prior calendar year



# Mission Springs Water District

**Table 20: Direct and Overlapping Debt  
As of June 30, 2025**

## DIRECT AND OVERLAPPING DEBT

2024-2025 Assessed Valuation: \$5,231,742,561

Direct and Overlapping Tax and Assessment Debt	Total Debt 6/30/2025	% Applicable <sup>1</sup>	District's Share of Debt 6/30/2025
Desert Community College District	\$640,515,000	4.204%	\$26,927,251
Mount San Jacinto Community College District	\$237,330,000	0.189%	\$448,554
Banning Unified School District	\$51,669,827	5.936%	\$3,067,121
Palm Springs Unified School District	\$440,983,050	10.831%	\$47,762,874
San Geronio Memorial Hospital District	\$101,461,603	1.593%	\$1,616,283
Mission Springs Water District	\$20,017,546	100.000%	\$20,017,546
City of Desert Hot Springs Community Facilities District No. 2006-1, I.A. 1	\$3,587,857	100.000%	\$3,587,857
California Statewide Community Development Authority Assessment District	\$413,000	100.000%	\$413,000
Mission Springs Water District Assessment District No. 13	\$2,940,000	100.000%	\$2,940,000
<b>Total Direct and Overlapping Tax and Assessment Debt</b>			<b>\$106,780,486</b>

Overlapping General Fund Debt	Total Debt 6/30/2025	% Applicable <sup>1</sup>	District's Share of Debt 6/30/2025
Riverside County General Fund Obligations	\$1,134,209,783	1.233%	\$13,984,807
Riverside County Pension Obligation Bonds	\$603,055,000	1.233%	\$7,435,668
Banning Unified School District Certificates of Participation	\$7,644,000	5.936%	\$453,748
City of Desert Hot Springs General Fund Obligations	\$32,980,000	97.755%	\$32,239,599
City of Palm Springs General Fund Obligations	\$86,219,295	1.456%	\$1,255,353
City of Palm Springs Pension Obligation Bonds	\$12,103,594	1.456%	\$176,228
<b>Total Overlapping General Fund Debt</b>			<b>\$55,545,403</b>

<b>Overlapping Tax Increment Debt (Successor Agency)</b>	<b>\$166,800,000</b>	<b>16.520%-100.000%</b>	<b>\$20,140,661</b>
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<b>Total Direct Debt</b>			<b>\$20,017,546</b>
<b>Total Overlapping Debt</b>			<b>\$162,449,004</b>
<b>Combined Total Debt<sup>2</sup></b>			<b>\$182,466,550</b>

Ratios to 2024-2025 Assessed Valuation	
Total Direct Debt (\$0)	0.383%
Total Overlapping Tax and Assessment Debt	2.041%
Combined Total Debt	3.488%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$1,860,159,402)	
Total Overlapping Tax Increment Debt	1.083%

Source:

California Municipal Statistics, Inc.

Notes:

1. The percentage of overlapping debt applicable is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assess value that is within the boundaries of the district divided by the overlapping district's total taxable assessed value.

2. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds, and non-bonded capital lease obligations.

**Table 21: Demographic and Economic Statistics in Riverside County  
Last Ten Calendar Years**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
IN RIVERSIDE COUNTY**

Calendar Year	Population <sup>1</sup>	Personal Income <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Median House Value <sup>2</sup>	Unemployment Rate <sup>3</sup>
CY 2015	2,312,059	\$85,315,000	\$36,900	\$312,700	6.7%
CY 2016	2,338,982	\$89,569,000	\$38,294	\$329,600	6.1%
CY 2017	2,366,885	\$93,043,000	\$39,310	\$352,700	5.3%
CY 2018	2,390,121	\$97,494,000	\$40,790	\$364,900	4.4%
CY 2019	2,405,570	\$104,149,000	\$43,295	\$384,400	4.2%
CY 2020	2,422,764	\$115,570,000	\$47,702	\$368,100	10.1%
CY 2021	2,458,395	\$125,820,000	\$51,180	\$465,400	7.3%
CY 2022	2,473,902	\$127,196,000	\$51,415	\$555,400	4.2%
CY 2023	2,492,442	\$126,300,000	\$47,001	\$576,000	4.8%
CY 2024	2,495,640	\$91,043,251	\$36,480	\$380,000	5.3%

Source:

1. Bureau of Economic Analysis
2. U.S. Census Bureau
3. U.S. Department of Labor, Bureau of Labor Statistics

Notes:

Data shown represents the entire County of Riverside

# Mission Springs Water District

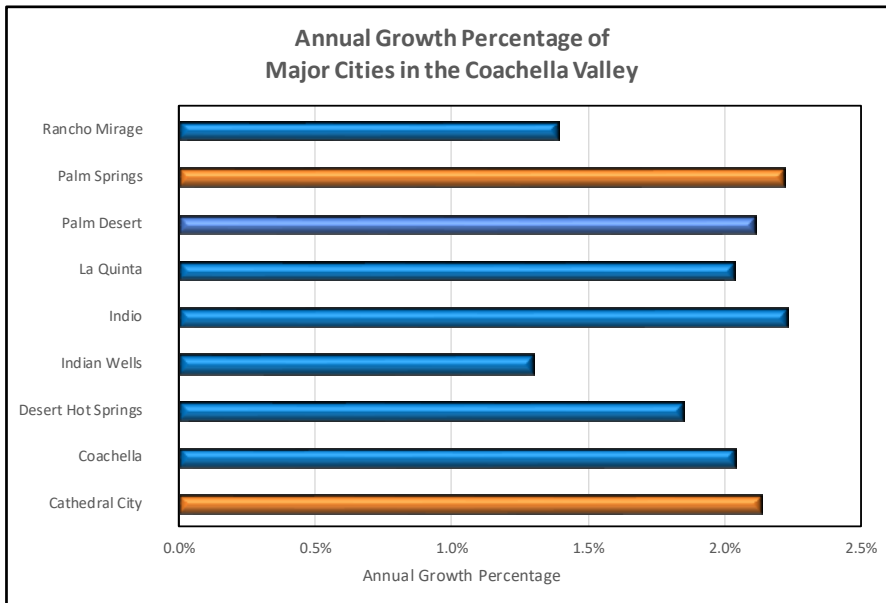
**Table 22: Population of Major Cities in the Coachella Valley  
Last Ten Calendar Years**

POPULATION OF MAJOR CITIES IN THE COACHELLA VALLEY										
Calendar Year	Cathedral City	Coachella	Desert Hot Springs	Indian Wells	Indio	La Quinta	Palm Desert	Palm Springs	Rancho Mirage	Total
CY 2015	53,859	45,001	28,794	5,336	86,683	39,311	48,835	46,204	17,920	371,943
CY 2016	54,040	45,135	28,885	5,375	87,382	40,176	50,154	46,886	18,093	376,126
CY 2017	54,296	45,273	29,347	5,549	86,632	40,605	52,085	47,157	18,579	379,523
CY 2018	54,902	45,839	28,885	5,440	91,240	41,535	53,185	48,375	18,336	387,737
CY 2019	55,007	45,713	28,878	5,470	91,765	41,748	53,275	48,518	18,528	388,902
CY 2020	55,678	46,564	29,611	5,544	91,919	42,271	53,524	48,929	18,954	392,994
CY 2021	51,621	41,935	32,389	4,785	89,789	37,562	50,626	44,165	16,854	369,726
CY 2022	51,045	42,179	32,380	4,733	89,978	37,824	50,274	43,802	16,868	369,083
CY 2023	50,911	43,173	32,654	4,797	90,680	38,370	50,889	43,791	16,992	372,257
CY 2024	51,995	44,050	33,255	4,859	92,693	39,148	51,961	44,760	17,227	379,948
<b>Annual Growth Rate Percentage</b>	<b>2.1%</b>	<b>2.0%</b>	<b>1.8%</b>	<b>1.3%</b>	<b>2.2%</b>	<b>2.0%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>1.4%</b>	<b>2.1%</b>

Source:

State of California, Department of Finance, Demographic Research Unit

U.S. Census Bureau



# Mission Springs Water District

**Table 23: Top Ten Employers in Riverside County  
Current Fiscal Year and Nine Years Ago**

## TOP TEN EMPLOYERS IN RIVERSIDE COUNTY

Rank	Employer	Number of FY 2025 Employees	Percentage of Total FY 2025 County Employment
1	County of Riverside	25,345	2.26%
2	Amazon	14,317	1.28%
3	State of California	8,398	0.75%
4	Walmart	7,523	0.67%
5	Riverside Unified School District	6,562	0.59%
6	Moreno Valley Unified School District	6,306	0.56%
7	Kaiser Permanente Riverside Medical Center	5,817	0.52%
8	Stater Bros.	5,145	0.46%
9	University of California, Riverside	5,137	0.46%
10	Eisenhower Medical Center	4,971	0.44%
<b>FY 2025 Top Ten Total</b>		<b>89,521</b>	<b>7.98%</b>
<b>FY 2025 County Total</b>		<b>1,121,600</b>	<b>100.00%</b>

Rank	Employer	Number of FY 2016 Employees	Percentage of Total FY 2016 County Employees
1	County of Riverside	21,984	2.30%
2	March Air Reserve Base	8,500	0.89%
3	University of California, Riverside	8,306	0.87%
4	Amazon	7,500	0.79%
5	Stater Bros.	6,900	0.72%
6	Kaiser Permanente Riverside Medical Center	5,300	0.56%
7	Corona-Norco Unified School District	5,098	0.53%
8	Desert Sands Unified School District	4,202	0.44%
9	Riverside Unified School District	3,973	0.42%
10	Pechanga Resort & Casino	3,931	0.41%
<b>FY 2016 Top Ten Total</b>		<b>75,694</b>	<b>7.93%</b>
<b>FY 2016 County Total</b>		<b>954,700</b>	<b>100.00%</b>

Source:

County of Riverside Economic Development Agency

Note:

Data for FY 2024 not available

# Mission Springs Water District

**Table 24: Full-Time Equivalent Employees by Department  
Last Ten Fiscal Years**

<b>FULL-TIME EQUIVALENT EMPLOYEES BY DEPARTMENT</b>										
	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
Executive	4	4	5	5	5	5	2	2	2	2
Administration	3	2	2	2	2	2	4	4	6	6
Innovation & Technology	0	0	0	0	0	0	1	1	1	1
Finance	0	0	0	0	0	0	1	1	1	1
Accounting	3	3	3	3	3	3	4	4	5	5
Customer Service	4	5	5	5	5	5	5	5	4	4
Operations	3	3	4	4	3	3	3	3	1	1
Engineering	2	2	2	2	3	3	5	5	6	6
Field Services	4	5	5	5	5	5	4	4	4	4
Construction & Maintenance	10	10	10	10	10	10	10	11	11	11
Water Production	3	3	3	3	5	5	5	4	4	4
Wastewater Treatment	6	6	6	6	6	6	6	7	7	7
Wastewater Collections	0	0	0	0	2	2	2	2	2	2
<b>Total Budgeted FTEs</b>	<b>42</b>	<b>43</b>	<b>45</b>	<b>45</b>	<b>49</b>	<b>49</b>	<b>52</b>	<b>53</b>	<b>54</b>	<b>54</b>

Source:

Mission Springs Water District Annual Budgets

# Mission Springs Water District

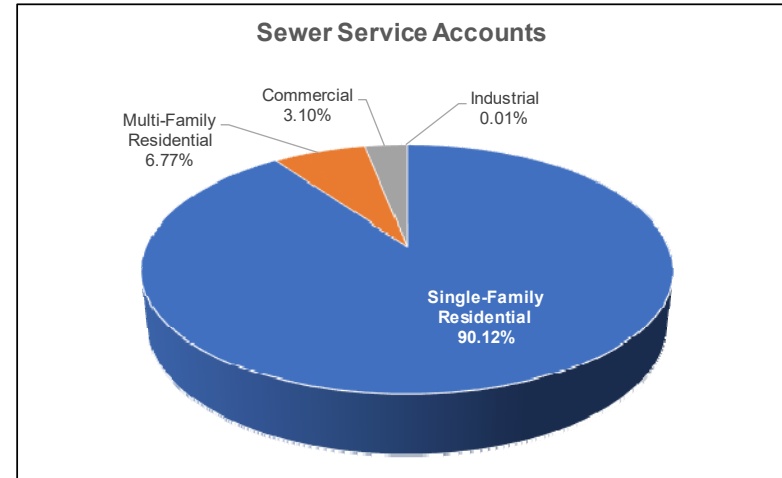
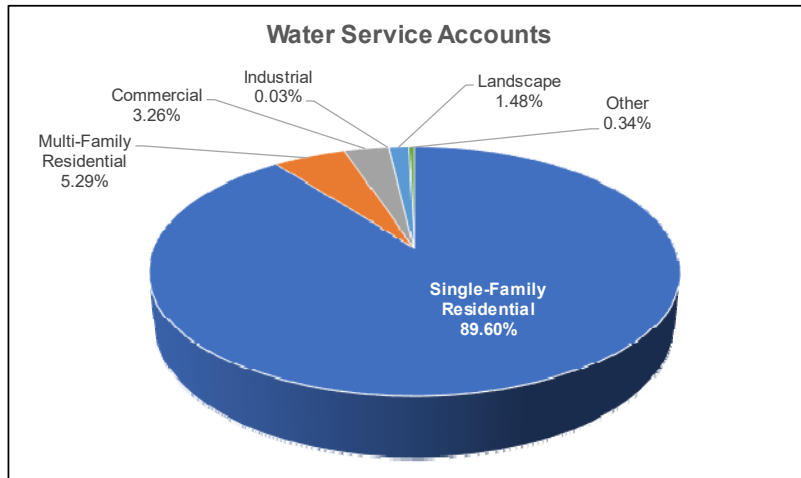
**Table 25: Water and Sewer Account Types  
As of June 30, 2025**

**WATER AND SEWER ACCOUNT TYPES**

Type	Water	Sewer
Single-Family Residential	12,438	8,753
Multi-Family Residential	734	658
Commercial	453	301
Industrial	4	1
Landscape	206	0
Other	47	0
<b>Total</b>	<b>13,882</b>	<b>9,713</b>

Source:

Mission Springs Water District Billing System



# Mission Springs Water District

**Table 26: Operating and Capacity Indicators  
As of June 30, 2025**

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OPERATING AND CAPACITY INDICATORS						
Fiscal Year	Miles of Pipeline	Storage Tanks	Storage Capacity (MG)	Groundwater Wells	Well Capacity (MGD)	Fire Hydrants
Desert Hot Springs	393.80	22	20.0244	11	21.6576	1,884
Palm Springs Crest	8.77	1	0.1078	2	0.7200	34
West Palm Springs Village	12.41	1	0.2771	2	0.9576	55
<b>Total</b>	<b>414.98</b>	<b>24</b>	<b>20.4093</b>	<b>15</b>	<b>23.3352</b>	<b>1,973</b>

Source:

Mission Springs Water District Operations

# Mission Springs Water District

**Table 27: Residential Water Rates Comparison  
As of June 30, 2025**

## RESIDENTIAL WATER RATES COMPARISON

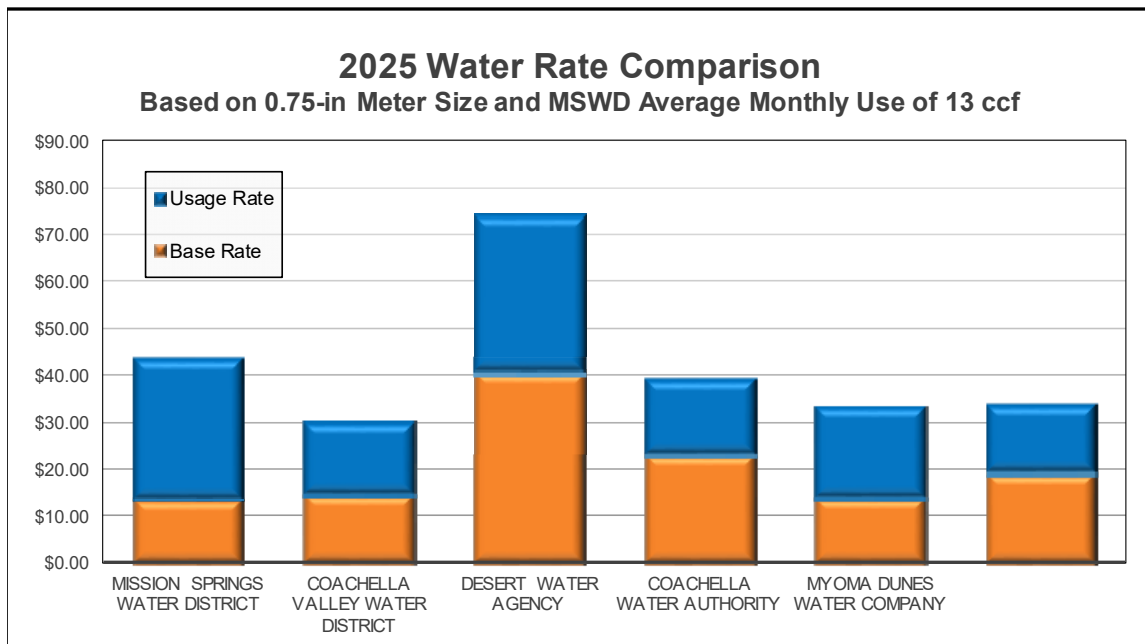
Rate Type	MSWD	CVWD	DWA	IWA	CWA	Myoma Dunes
Fixed Charges	\$13.63	\$14.71	\$40.72	\$23.11	\$13.80	\$19.14
Consumption Charges	\$29.77	\$15.52	\$33.67	\$16.17	\$19.50	\$14.45
Total	\$43.40	\$30.23	\$74.39	\$39.28	\$33.30	\$33.59

Notes:

Single-Family Residential

Fixed charge for 0.75-inch meter

Consumption charge per 13 CCF



# Mission Springs Water District

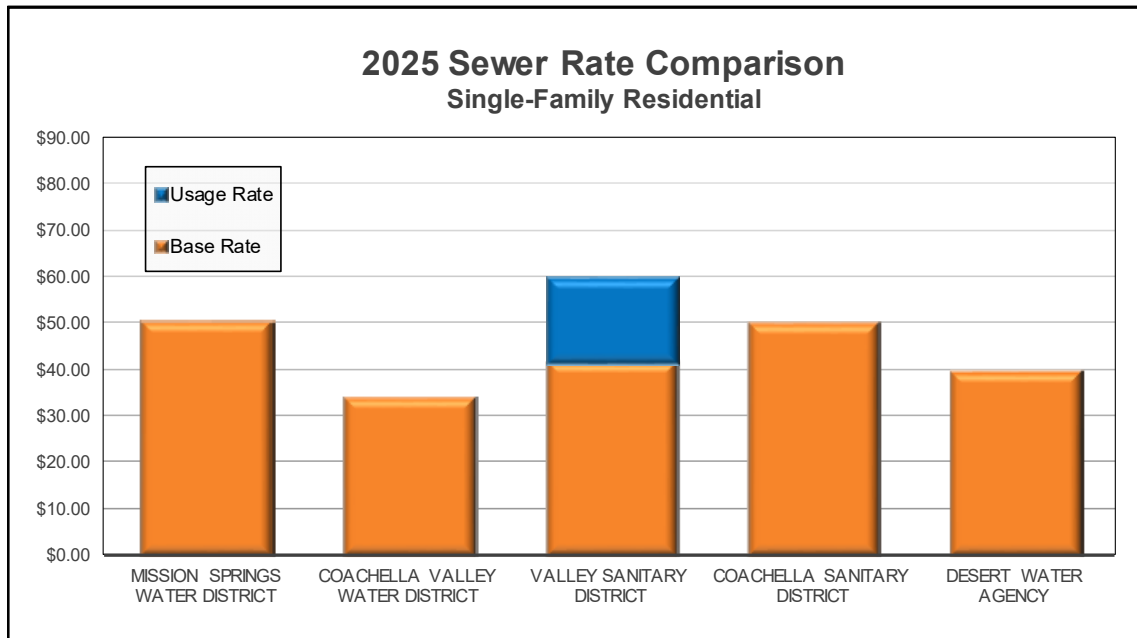
**Table 28: Residential Sewer Rates Comparison  
As of June 30, 2025**

## RESIDENTIAL SEWER RATES COMPARISON

Rate Type	MSWD <sub>1</sub>	CVWD <sub>2</sub>	VSD <sub>3</sub>	CSD <sub>4</sub>	DWA <sub>5</sub>
Fixed Charges	\$50.16	\$33.87	\$41.48	\$49.74	\$39.62
Volumetric Charges			\$18.59		
Total	\$50.16	\$33.87	\$60.07	\$49.74	\$39.62

Notes:

1. Single-Family Residential Sewer Rates reflect a fixed monthly charge of \$50.16 per EDU calculated to recover the cost of providing sewer service and the on-going maintenance of a fixed amount of capacity set aside to serve a property based upon meter size.
2. Single-Family Residential Sewer Rates reflect a Monthly Account Charge of \$1.91 and Monthly Service Charge of \$31.96 per ESU.
3. Single-Family Residential Sewer Rates reflect a 70% Fixed Service Charge of \$497.74 per EDU and a 30% Volumetric Rate of \$18.59 for 13 CCF
4. Single-Family Residential Sewer Rates reflect a monthly flat rate structure billed semi-annually on the county property tax roll.
5. Single-Family Residential Sewer Rates reflect a \$31.96 pass through charge from City of Palm Springs or CVWD, and a DWA service charge of \$7.31



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**MSWD**  
Mission Springs Water District  
Mission Springs Water District



**Mission Springs Water District**

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Desert Hot Springs, CA 92240

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