



Mid-Year Budget Report and Proposed FY 2021/2022 Capital Budget and Continuing Appropriations

January 13, 2022

Assumptions vs. Reality

Adopted Budget

- 3% revenue increase (Water Sales and Wastewater Treatment)
- Grants and Loans (Wastewater Regional Plant)
- Classification Plan / Org. Chart added 3 positions
- Fastest growing community in the Coachella Valley
- Ensured effective business continuity during COVID-19
- Essential expenditures/activities only

Mid-Year Changes

- Capital Improvement Projects (Riverside County Roadway Work)
- Equipment and Improvements (Capital Assets)

Operating Revenues and Expenses

MISSION SPRINGS WATER DISTRICT
COMBINED FUNDS
DISTRICT SUMMARY
JULY 1, 2020 TO DECEMBER 31, 2021

YEAR TO DATE			
ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE) VARIANCE AMOUNT	FAVORABLE (UNFAVORABLE) VARIANCE PERCENT
11,902,951	11,831,282	71,669	1%
9,449,906	9,639,652	189,745	2%
2,453,045	2,191,630	261,414	12%
1,723,249	1,426,129	297,120	21%
436,926	443,190	6,264	1%
1,286,323	982,939	303,384	31%
3,739,368	3,174,569	564,798	18%

OPERATING REVENUE:
OPERATING EXPENSE:
NET OPERATING INCOME
ADD NON-OPERATING REVENUE
LESS NON-OPERATING EXPENSE
NET NON-OPERATING INCOME
NET INCOME

JULY 1, 2020 TO DECEMBER 31, 2020			
ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE) VARIANCE AMOUNT	FAVORABLE (UNFAVORABLE) VARIANCE PERCENT
11,738,251	8,580,629	3,157,622	37%
8,514,384	8,500,552	(13,832)	0%
3,223,867	80,077	3,143,790	3926%
1,463,609	6,515,850	(5,052,241)	-78%
547,372	450,297	(97,075)	-22%
916,236	6,065,553	(5,149,317)	-85%
4,140,103	6,145,630	(2,005,527)	-33%

Capital Improvement Projects

Pierson Boulevard Slurry Seal Project	\$ 183,000
Riverside County Mountain View Resurfacing Project	33,000
North Indian Canyon Dr Sewer Widening Project	14,485
Regional Urban Water Management Plan	3,760
Wells 27 & 31 Dry Wells	<u>3,305</u>
Total	<u><u>\$ 237,550</u></u>

Equipment and Improvements (Capital Assets)

Administration Office Repairs (Drywall and Painting)	\$ 135,000
Office Space Enhancements (Annex)	35,000
Rocket Multivalue Integration Server (Finance and Billing System)	<u>33,000</u>
Total	<u><u>\$ 203,000</u></u>

Looking Forward

- Debt Service Ratio
 - 1.25 required by Covenants
 - Currently 6.03

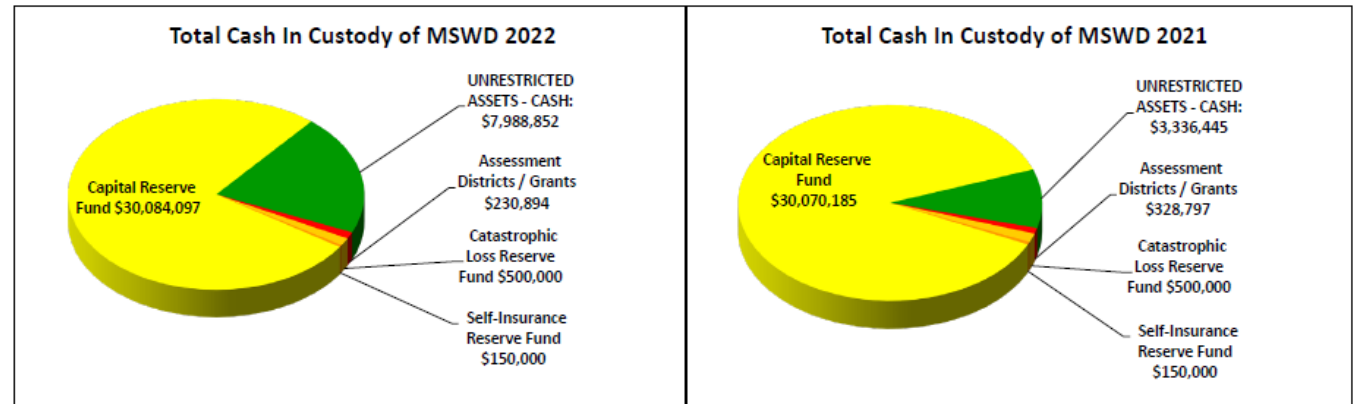
~\$2.5M available for debt service

\$2.5M annual payment @ 2.5%
will service ~\$54M in debt

MISSION SPRINGS WATER DISTRICT COMBINED FUNDS DISTRICT SUMMARY JULY 1, 2020 TO DECEMBER 31, 2021

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3,739,368	3,174,569	564,798	18%	4,140,103	6,145,630	(2,005,527)	-33%

OTHER INFORMATION	
DEBT SERVICE RATIO	12.05
INVESTMENT RETURN	0.05%
CASH - JULY 1	\$ 34,708,247
INCREASE/(DECREASE) IN CASH	\$ (322,821)
CASH - END OF PERIOD	\$ 34,385,426
UNRESTRICTED CASH	\$ 3,336,445
RESTRICTED CASH	\$ 31,048,981
CASH IN CUSTODY OF MSWD	\$ 34,385,426
WELLS FARGO	\$ 21,257
CALTRUST	\$ 6,436,309
CALTRUST	\$ 21,958,681
CALTRUST	\$ 2,548,744
	\$ 30,964,991
RESTRICTED - ASSESSMENT DISTRICTS	\$ 16,936
RESTRICTED - SHORT TERM FUND	\$ 6,435,570
RESTRICTED - MEDIUM TERM FUND	\$ 22,048,613
RESTRICTED - LIQUIDITY FUND	\$ 2,547,862
RESTRICTED TOTAL CASH	\$ 31,048,981

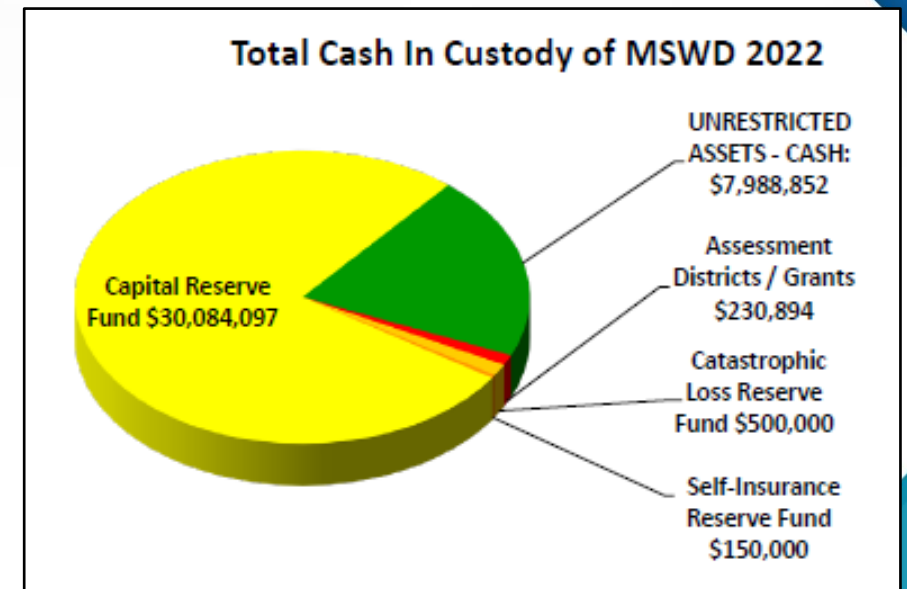


Mid-Year Budget Highlights

- No changes to Operating Revenues and Expenses (19,987,154 and 18,615,346 respectively)
- Capital Replacement Reserve Target (M/M #95-20)

Policy	\$37,380,700
Balance	<u>\$30,943,734</u>
	<u>(6,436,966)</u>

- CIP increase
- Financial well-being required for debt and grant financing
- Financing was always part of the long-range plan
- Effective Planning and Leadership



Questions?