



BOARD OF DIRECTORS SPECIAL MEETING (WORKSHOP) AGENDA

Tuesday, June 06, 2023 at 2:00 PM

66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference

NOTICE IS HEREBY GIVEN THAT THE BOARD OF DIRECTORS OF MISSION SPRINGS WATER DISTRICT WILL HOLD ITS REGULAR MEETING(S) ON THE DATE LISTED ABOVE. THE BOARD WILL MEET IN PERSON AT 66575 SECOND STREET, DESERT HOT SPRINGS.

THE PUBLIC IS PERMITTED TO ATTEND THIS MEETING IN PERSON OR VIRTUALTY USING THE ZOOM LINK BELOW.

JOIN ZOOM MEETING:

<https://us02web.zoom.us/j/8220655340?from=addon>

DIAL BY PHONE:

+1 (408) 638-0968

Meeting ID: 822 065 5340

ACTION MAY BE TAKEN ON ANY ITEM LISTED ON THIS AGENDA

-
1. CALL TO ORDER
 2. ANNOUNCEMENT AND VERIFICATION OF REMOTE MEETING PARTICIPATION PURSUANT TO AB 2449 OR GC 54953(b)
 3. ROLL CALL
 4. PUBLIC INPUT
*This is the opportunity for members of the public to address the Board on matters within the Board's jurisdiction. **Please limit comments to three (3) minutes or less.** State law prohibits the Board from discussing or taking action on any item not listed on the agenda.*

ITEMS FOR DISCUSSION

5. FISCAL YEAR 2023-2024 BUDGET
Presentation and discussion of the Draft MSWD Fiscal Year 2023-2024 Budget.
6. GENERAL MANAGER'S COMMENTS
7. DIRECTORS' COMMENTS
8. ADJOURN

If you need special assistance to participate in this meeting, please contact the Executive Assistant at (760) 660-4403 at least 48 working hours prior to the meeting.

ANY DISCLOSABLE PUBLIC RECORDS RELATED TO AN OPEN SESSION ITEM ON A REGULAR MEETING AGENDA AND DISTRIBUTED BY MISSION SPRINGS WATER DISTRICT TO ALL OR A MAJORITY OF THE BOARD OF DIRECTORS LESS THAN 72 HOURS PRIOR TO THAT MEETING ARE AVAILABLE FOR PUBLIC INSPECTION AT THE DISTRICT OFFICE, 66575 SECOND STREET, DESERT HOT SPRINGS, CALIFORNIA, DURING NORMAL BUSINESS HOURS AND MAY ALSO BE AVAILABLE ON THE DISTRICT'S WEBSITE AT <https://www.mswd.org/meetings>. NOTE: THE PROCEEDINGS MAY BE AUDIO AND VIDEO RECORDED.

CERTIFICATION OF POSTING

I certify that on or before June 5, 2023 I posted a copy of the foregoing notice near the regular meeting place of the Board of Directors of Mission Springs Water District at least 24 hours in advance of the meeting (Government Code Section 54954.2).



Arden Wallum
Secretary of the Board of Directors

70th ANNIVERSARY **MSWD** Mission Springs Water District



Mission Springs Water District

FISCAL YEAR 2023-24 OPERATING & CAPITAL BUDGET

Board of Directors
Russ Martin, President
Ivan Sewell, Vice President
Amber Duff, Member
Robert Griffith, Member
Ted Mayrhofen, Member

Mission Statement

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

Board of Directors



Ivan Sewell
Vice President



Russ Martin
President



Amber Duff
Member



Robert Griffith
Member



Ted Mayrhofer
Member

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GENERAL MANAGER'S MESSAGE

June 19, 2023

To the Board of Directors:

Mission Springs Water District (MSWD or District) is celebrating 70 years of serving our community with its most precious resource, water. Looking towards the horizon, our future promises to be even brighter. We have successfully managed and protected our groundwater and have taken steps to strengthen our financial position, resulting in the ability to keep our rates low and our service levels high.

The new Nancy Wright Regional Water Reclamation Facility (RWRF), named after 34-year MSWD Director Nancy Wright, will be operational by the end of the year. The RWRF will dramatically enhance the District's wastewater treatment capacity, providing sewer service to more homes and businesses and protecting our groundwater supply.

Primarily funded through a \$68 million state grant, the RWRF is the culmination of years of work and planning. Since the early 2000s, MSWD has undertaken one of the largest Groundwater Quality Protection Projects in the Coachella Valley. To date, we have connected more than 7,000 homes and businesses to the wastewater system, and we've done this with more than \$100 million in State and Federal grants and \$43.5 million of local match funding, including self-assessments. The success of this effort has necessitated the construction of the new RWRF.

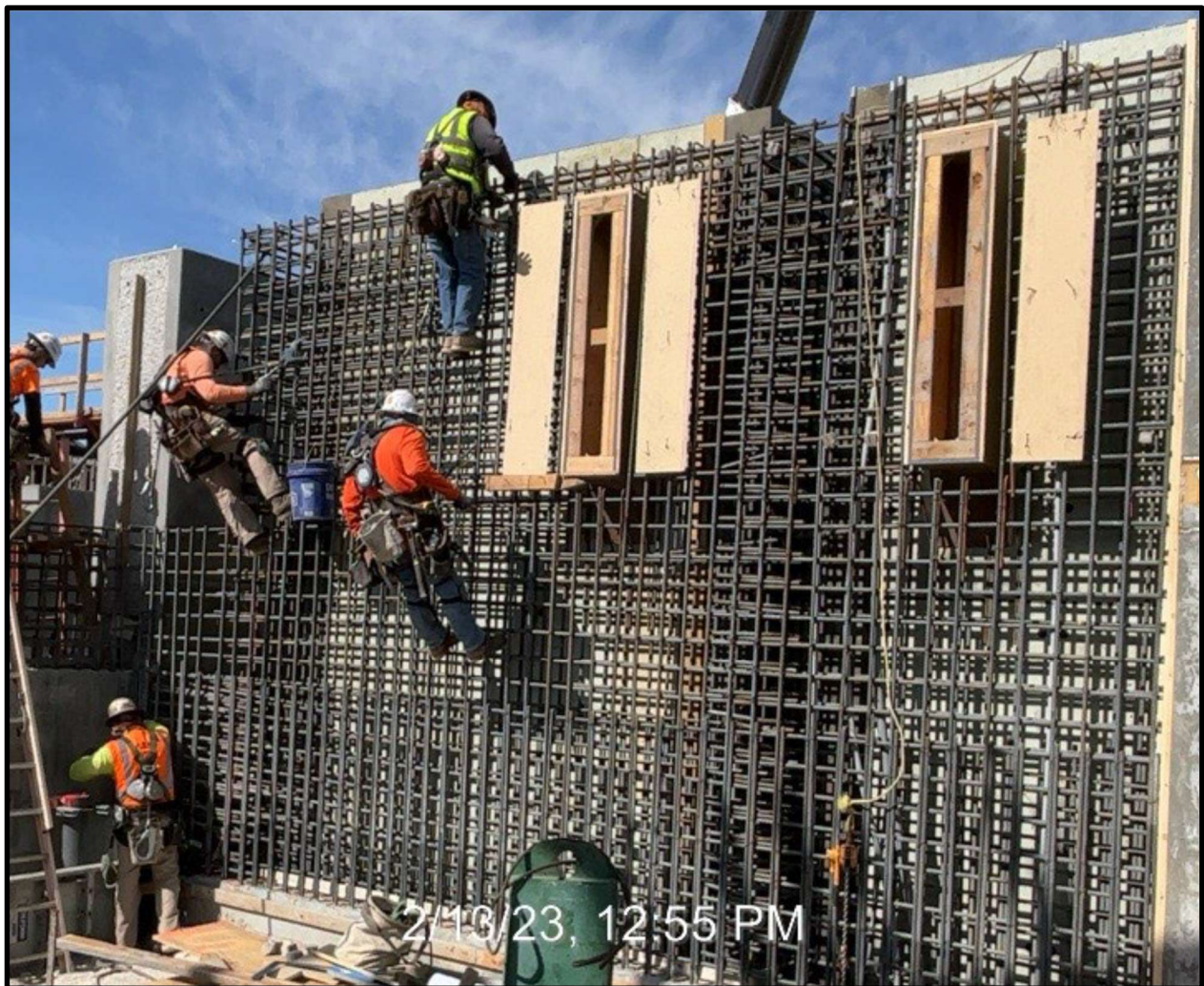
The state-of-the-art facility was designed with further expansion in mind and will allow the District to alleviate some of the wastewater flows going to the Alan L. Horton Wastewater Treatment Plant, further extending the service life of that facility.

Located in the Indian/I-10 corridor of Desert Hot Springs, the RWRF is sited on land purchased by the District in the early 2000s and is adjacent to the 1.1-megawatt MSWD solar installation, which will reduce operational costs by off-setting the energy needs of the RWRF.

The locale and size of the new RWRF will enable the District to more than double our service area while also serving as an economic engine for future growth in the area, paving the way for new businesses, jobs, and growth in our beloved city.

In the future, the RWRf will serve as a vital resource of recycled water, critical to easing our reliance on imported water. As water supplies tighten in the West due to drought and climate uncertainty, this new water source will put us on a path towards basin sustainability and potentially become more beneficial to our region than the exchange water we receive from our State Water Project contractor.

The new Nancy Wright Regional Water Reclamation Facility (RWRf) is just one example of how MSWD is committed to investing in technology and infrastructure to provide our customers with reliable, sustainable, and affordable services. Thanks to our careful investments in infrastructure and sound fiscal management, we look forward to serving the community for the next 70 years.



Budget Highlights

The operating budget for fiscal year (FY) 2024 is approximately \$23.7 million. There is an additional \$87.1 million in capital improvements proposed for a total budget of approximately \$110.8 million. This is a significant increase in total budget expenses when compared to FY 2023. The increase is primarily in the capital improvements budget due to the construction of the new Regional Water Reclamation Facility and the new Administration Building in FY 2024. Also, MSWD staff continues to monitor the impacts of the COVID-19 pandemic (pandemic) on District operations and will make any necessary changes to the budget as part of the mid-year budget evaluation.

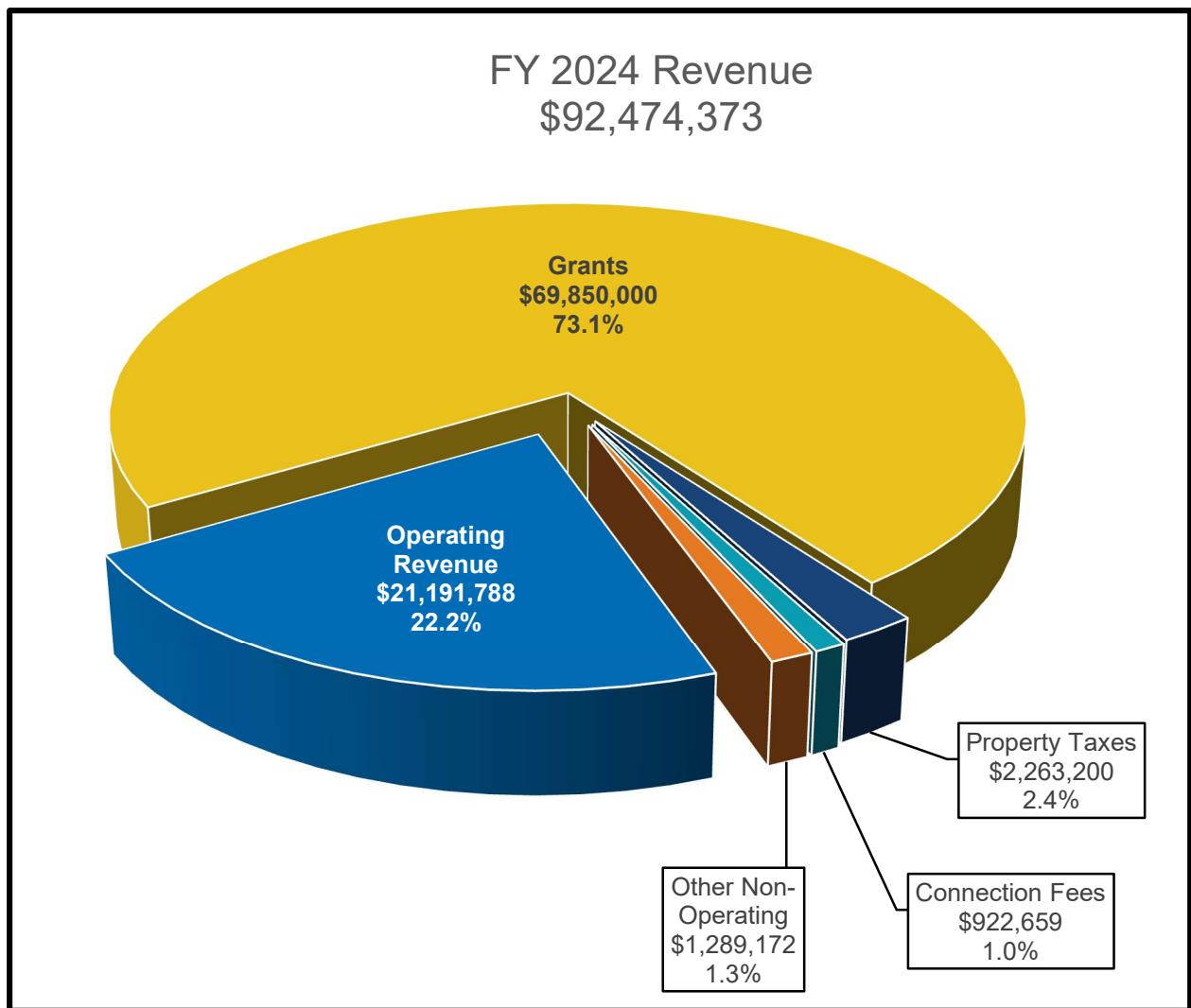
	Budget FY 2024	Budget Change	Budget FY 2023	Budget Change	Budget FY 2022
Operating Budget					
Operating Revenue	\$21,191,788	\$5,364	\$21,186,424	\$1,199,270	\$19,987,154
Operating Expenses	\$23,743,905	\$616,912	\$23,126,993	\$1,999,232	\$21,127,761
Operating Income	(\$2,552,117)	(\$611,548)	(\$1,940,569)	(\$799,962)	(\$1,140,607)
Expenses					
Operating Expenses	\$23,743,905	\$616,912	\$23,126,993	\$1,999,232	\$21,127,761
Capital Improvement Projects	\$87,117,465	\$23,755,462	\$63,362,033	\$32,772,684	\$30,589,349
Total Budget	\$110,861,370	\$24,372,374	\$86,933,328	\$34,771,916	\$51,717,110



Revenues

MSWD receives funding from a variety of sources: domestic water sales, wastewater service charges, water and sewer connection fees, property taxes, grants, investment income, rental property, cellular tower leases, solar power generation, and charges for miscellaneous services.

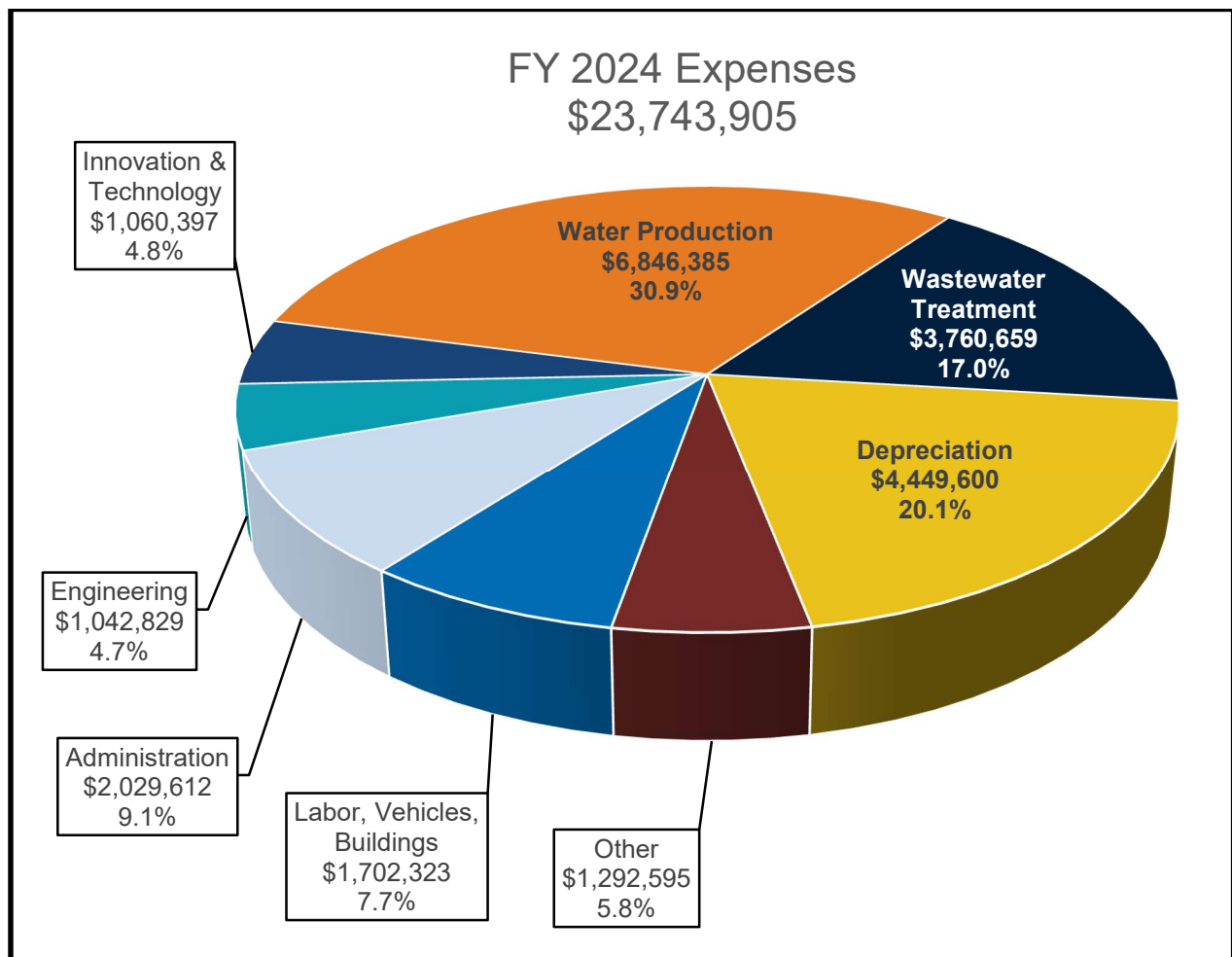
For FY 2024, the Operating Revenue and Non-Operating Revenue budgets amounted to \$21,191,788 and \$71,282,585, respectively, for a Total Revenue budget of \$92,474,373. Significant sources of funding are grants expected for capital improvement projects. These state and federal grants have allowed MSWD to adopt a budget that includes capital improvements with no projected fee or rate increases for its services.



Expenses

Operating expenses for FY 2024 are constant as part of the budget process of approximately \$23,743,905. This represents an increase over FY 2023 of approximately \$616,912. To remain competitive with nearby agencies, the District has completed a classification and compensation study, which resulted in recommended changes in employee classifications. It also recommended an increase in salaries for field staff making up most of the increase in expenses over the prior year.

There is also \$87,117,465 in capital improvement expenses made up primarily by the construction of the new Regional Water Reclamation Facility and the new Administration Building. In response to the pandemic, MSWD substantially reduced its non-grant funded capital improvement program in FY 2023, and efforts continued to reduce all other expenses.



Financial Stability

MSWD continues to maintain strong reserves through prudent and conservative money management practices, despite a volatile financial market. The District maintains a Capital Reserve Fund of approximately \$43.5 million as of May 31, 2023. While the FY 2024 budget was adopted with no rate increases, future budgets may require rate increases to ensure reserve targets and expenses are met.

In Conclusion

Mission Springs Water District (MSWD or District) maintains a commitment to customers, stakeholders, and employees by adhering to its seven core values: professionalism, accountability, respect, integrity, servant attitude, excellence, and stewardship. This budget addresses the priorities established for FY 2024.

I would like to express my appreciation to the management team and staff who worked diligently in developing a budget that reflects the needs of MSWD and its customers. A special note of thanks to the Finance Department for their excellence in gathering, analyzing, and presenting information clearly and accurately. We are confident that this budget reflects the policies and direction of the Board of Directors and provides the financial plan for a successful year.

Respectfully submitted,



Arden Wallum
General Manager/Chief Engineer



BUDGET RESOLUTION

[To be added once adopted by MSWD Board]

PROFILE OF THE MISSION SPRINGS WATER DISTRICT

Formation of the Mission Springs Water District

In 1953, the Desert County Water District was established by a vote of the residents of 246 to 9 and was later renamed to the Mission Springs Water District (MSWD or District). MSWD is a County Water District under Subsection 30000 et seq. of the California Water Code.

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.

Blended Component Unit

In April of 1985, the Mission Springs Water District Improvement Corporation (Corporation) was created 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 Classification

The District is comprised of the following major enterprise funds:

General Fund – Used to account for activities associated with supporting the administration of the District.

Water Fund – Used to account for activities associated with serving 13,840 water accounts, of which 95% are residential customers.

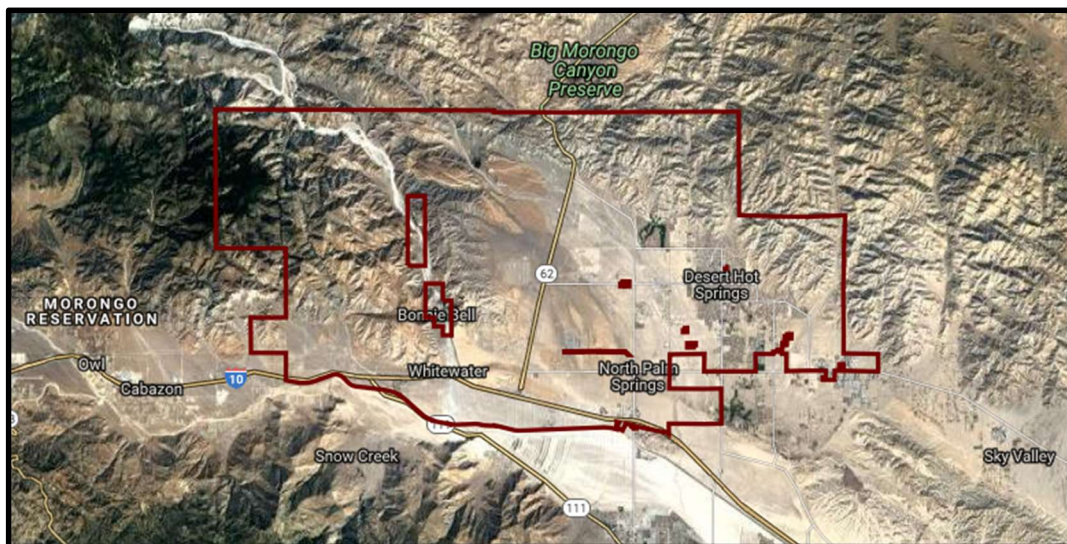
Sewer Fund – Used to account for activities associated with providing sewage collection, treatment, and disposal services to 9,364 customer accounts, of which 97% are residential customers.

Property Taxes

The County of Riverside (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 each year. Property taxes attach as a lien on the property on January 1. Taxes are levied on July 1 and are payable in two installments on November 1 and February 1, and become delinquent after December 10 and April 10, respectively.

Service Area

Located in Riverside County, California, MSWD initially covered an area of one square mile in 1953. Today, MSWD covers an area of about 135 square miles including the City of Desert Hot Springs, and the unincorporated areas of North Palm Springs, Whitewater, and Bonnie Bell serving a population of over 44,000 residents.



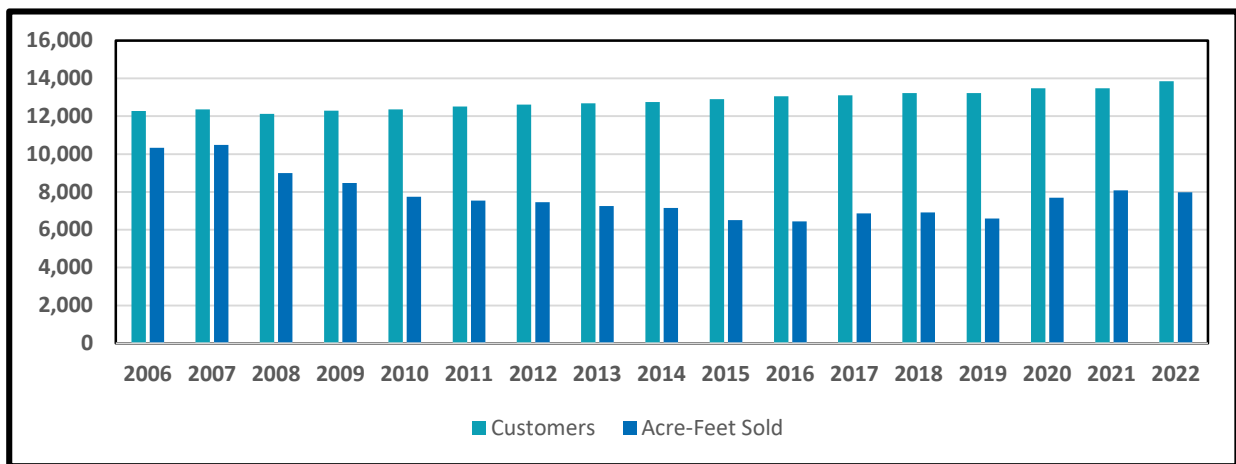
Water Service

Within the initial one square mile covered by MSWD, it began with about 100,000 feet of pipelines, five water wells, and two reservoirs. MSWD expanded rapidly, and absorbed parts of the Coachella Valley County Water District, the West Palm Springs Village and San Geronio Mutual Water Company systems, and the Dos Palmas Mutual Water Company. Today, MSWD includes more than 1.25 million feet of pipelines, 13 water wells, 12 booster stations, and 24 reservoirs.

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 13,840 water accounts is groundwater. MSWD produces groundwater from the Mission Creek Subbasin, San Geronio Pass Subbasin, and Garnet Hill Subarea of the Indio Subbasin, in the greater Coachella Valley Groundwater Basin. The quality of the groundwater is remarkably high and has been awarded an unprecedented 10 medals, including best tasting municipal water in the world, at the International Water Tasting Competition in Berkely Springs, West Virginia.

For over 65 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 16 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 as shown in the chart below.



Wastewater Service

MSWD currently serves 9,364 sewer connections. Wastewater is treated at the Horton Wastewater Treatment Plant and the Desert Crest Wastewater Treatment Plant. MSWD treats about 2 million gallons per day (MGD) prior to discharging effluent in an environmentally sustainable manner. MSWD is also currently constructing a new Regional Water Reclamation Facility. This facility will be the largest capital project in the coming years 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. The GQPP is ongoing and a significant part of the FY 2024 capital improvement program.



Summary of Authorized Positions

On July 1, 2016, MSWD began a reorganization process. The organizational structure was adjusted to meet current operational and fiscal needs. This effort is ongoing and includes positional/staffing changes, changes in corporate culture, greater integration of its mission, vision, and values of the organization, a customer experience overhaul, and streamlining of policies and procedures. This fiscal year, MSWD will be adding one key position to support the growth of the District, and this new position is a GIS Specialist. Also, MSWD has dissolved one position for the Regulatory Compliance and Safety Officer, resulting in no net change in positions. In addition, MSWD has conducted a class and compensation study resulting in adjustments to several position titles for the fiscal year beginning July 1, 2023. These adjustments and 53 funded full-time equivalent (FTE) positions are reflected in the current budget.

Budgeted Department and Title	FY 2022 Adopted	FTE Changes	FY 2023 Adopted	FTE Changes	FY 2024 Adopted
EXECUTIVE					
General Manager & Chief Engineer	1	0	1	0	1
Executive Assistant	1	0	1	0	1
Sub-Total Budgeted FTEs	2	0	2	0	2
ADMINISTRATION					
Assistant General Manager	1	0	1	0	1
Programs and Public Affairs Manager	1	0	1	0	1
Human Resources Manager	1	0	1	0	1
Office Specialist I/II	1	0	1	0	1
Sub-Total Budgeted FTEs	4	0	4	0	4
<u>Innovation & Technology:</u>					
Innovation & Technology Manager	1	0	1	0	1
GIS Specialist	0	0	0	1	1
Sub-Total Budgeted FTEs	1	0	1	1	2



Budgeted Department and Title	FY 2022 Adopted	FTE Changes	FY 2023 Adopted	FTE Changes	FY 2024 Adopted
FINANCE					
Director of Finance and Accounting	1	-1	0	0	0
Director of Finance	0	1	1	0	1
Office Specialist I/II	0	0	0	1	1
Sub-Total Budgeted FTEs	1	0	1	1	2
<u>Accounting:</u>					
Accounting Manager	1	0	1	0	1
Accountant	0	1	1	0	1
Senior Accounting Technician	1	-1	0	0	0
Accounting Technician	1	0	1	0	1
Purchasing and Warehouse Specialist	1	0	1	0	1
Sub-Total Budgeted FTEs	4	0	4	0	4
<u>Customer Service:</u>					
Customer Service Manager	1	0	1	0	1
Senior Customer Service Representative	0	1	1	0	1
Customer Service Representative I/II	4	-1	3	-1	2
Field Service Supervisor	1	0	1	-1	0
Lead Field Service Representative	0	0	0	1	1
Field Service Representative II/ Backflow Specialist	0	1	1	0	1
Field Service Representative I/II	3	-1	2	0	2
Sub-Total Budgeted FTEs	9	0	9	-1	8



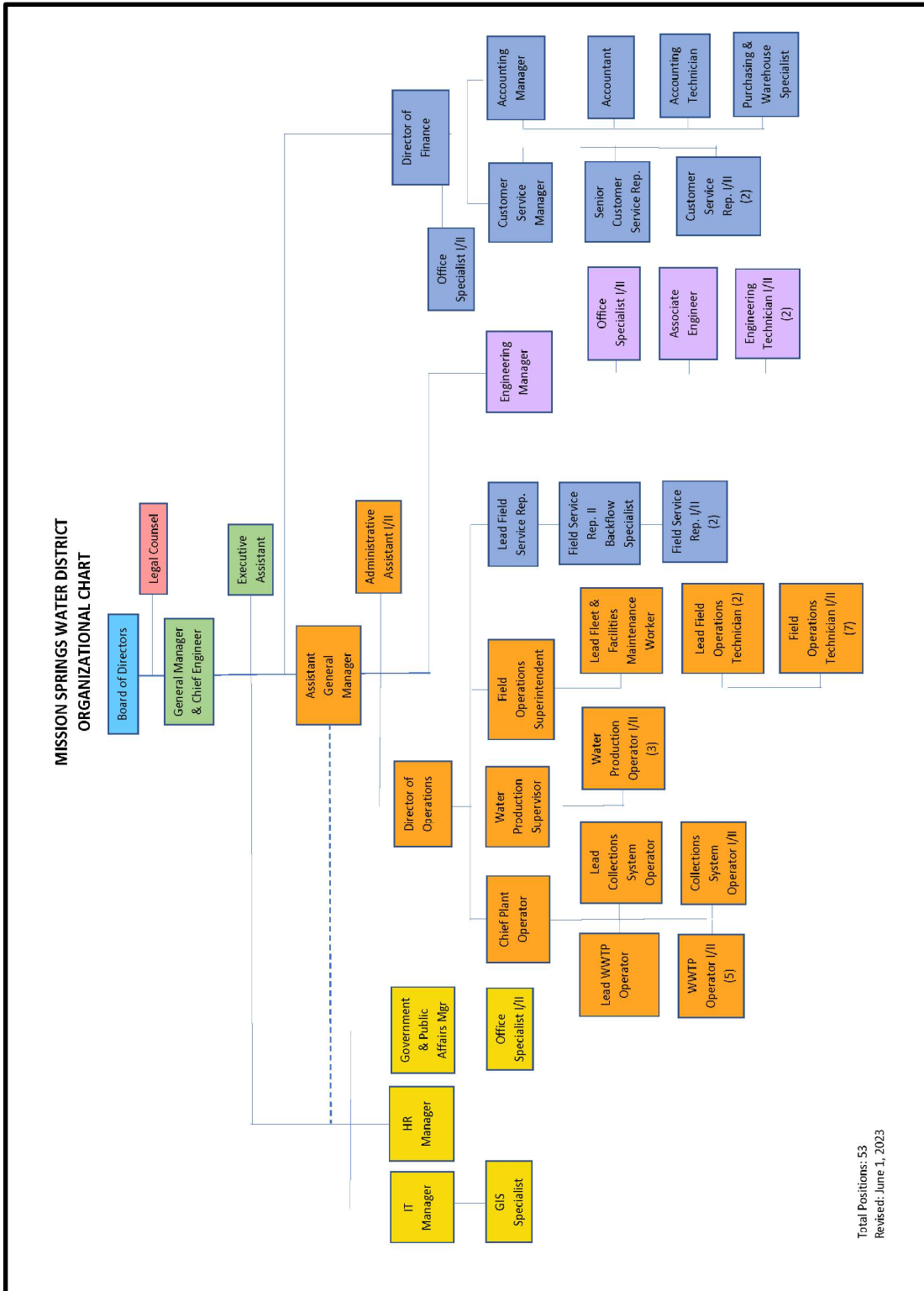
Budgeted Department and Title	FY 2022 Adopted	FTE Changes	FY 2023 Adopted	FTE Changes	FY 2024 Adopted
OPERATIONS					
Director of Engineering & Operations	1	-1	0	0	0
Director of Operations	0	1	1	0	1
Sub-Total Budgeted FTEs	1	0	1	0	1
<u>Engineering:</u>					
Engineering Manager	1	0	1	0	1
Associate Engineer	1	0	1	0	1
Engineering Technician I/II	2	0	2	0	2
Administrative Assistant	1	0	1	-1	0
Office Specialist I/II	0	0	0	1	1
Sub-Total Budgeted FTEs	5	0	5	0	5
<u>Field Operations:</u>					
Field Operations Manager	1	-1	0	0	0
Regulatory Compliance & Safety Officer	0	1	1	-1	0
Administrative Assistant	1	0	1	0	1
Sub-Total Budgeted FTEs	2	0	2	-1	1
<u>Construction & Maintenance:</u>					
Field Operations Superintendent	0	1	1	0	1
Maintenance Superintendent	1	-1	0	0	0
Lead Facilities Maintenance Worker	0	1	1	0	1
Facilities Maintenance Lead	1	-1	0	0	0
Lead Field Operations Technician	2	0	2	0	2
Field Operations Technician I/II	7	0	7	0	7
Sub-Total Budgeted FTEs	11	0	11	0	11



Budgeted Department and Title	FY 2022 Adopted	FTE Changes	FY 2023 Adopted	FTE Changes	FY 2024 Adopted
OPERATIONS					
<u>Water Production:</u>					
Water Production Supervisor	0	1	1	0	1
Water Production Foreperson	1	-1	0	0	0
Water Production Operator I/II	3	0	3	0	3
Sub-Total Budgeted FTEs	4	0	4	0	4
<u>Wastewater Treatment:</u>					
Chief Plant Operator	1	0	1	0	1
WWTP Lead Operator	1	0	1	0	1
WWTP Operator I/II	4	1	5	0	5
Sub-Total Budgeted FTEs	6	1	7	0	7
<u>Wastewater Collections:</u>					
Collection System Lead Operator	1	-1	0	0	0
Lead Collection System Operator	0	1	1	0	1
Collection System Operator I/II	1	0	1	0	1
Sub-Total Budgeted FTEs	2	0	2	0	2
Total Budgeted FTEs	52	1	53	0	53



Organizational Chart



BUDGET OVERVIEW

General Budget Overview

The District operates under the authority of the California Water Code. It maintains and prepares its financial statements and budgets using the accrual basis of accounting as prescribed by Generally Accepted Accounting Principles (GAAP) and reporting standards applicable to California governmental agencies. MSWD makes an allocation of all general and administrative costs to the water district, sewer district, and to capital improvements based on a percentage of labor hours. The allocations are made monthly.

The Board of Directors approves an annual budget on or before June 30 for the ensuing fiscal year. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various departments. Budgets are prepared annually using the zero-base method. The Board of Directors may approve supplemental budget requests. The General Manager (GM) may transfer funds between general ledger accounts within the operating budgets if the total budget is not affected.

Budget Process

MSWD's streamlined 10-step budget process is summarized below as:

1. **Initiate the Budget.** MSWD managerial staff inputs budgetary estimates for the following year with their departmental goals in mind at the beginning of the budgetary process.
2. **Prepare a draft budget.** Based on these inputs, the Finance Department prepares the draft budget.
3. **Finalize Employee Requests.**
4. **Present Employee Requests to Human Relations Committee.**
5. **Present the draft budget to the GM for review and comment.**
6. **Present the draft budget to the Board of Directors at workshop.**
7. **Present the GM recommended budget to the Board of Directors at Study Session.**
8. **Present the amended GM recommended budget to the Board of Directors at Board Meeting for approval.**
9. **Apply for Government Finance Officers Association (GFOA) Award for Excellence in Budget Reporting.**
10. **Propose any budget amendments.** Staff reviews the performance and budget in January, and if any amendments are necessary, a revised budget will be submitted to the Board of Directors in February. The approved budgets are posted on MSWD's website.

Budget Schedule

The following budget calendar shows the District’s preparation and review process timeline for FY 2024.

MSWD Budget Planning Fiscal Year 2024	Required By Date
Employee Request Meeting	03/02/2023
Budget Kickoff Meeting	03/23/2023
Update actual numbers and prepare for new budget cycle	03/24/2023
Budget worksheet distributed to managers and supervisors	04/03/2023
Report to staff which Employee Request items will be presented to the Board of Directors as part of the budget	04/19/2023
Special Meeting – Present Employee Request staff recommendations to Human Relations Committee/Board of Directors	04/20/2023
Budget worksheet completed by managers and supervisors	04/21/2023
Finance staff budget review meetings with managers, supervisors, and GM	05/01/2023 – 05/31/2023
Finalize the draft budget	06/02/2023
Budget Workshop - Present draft budget to Board of Directors for review and comment	06/06/2023
Board Study Session - Present GM Revised Budget to Board of Directors for review and comment	06/15/2023
Board Meeting - Present GM Recommended budget to Board of Directors for adoption	06/19/2023
Apply for GFOA Award for Excellence in Budget Reporting	07/10/2023



Financial Policies and Resolutions

Every June, the Board of Directors adopts the three budget resolutions that guide District operations for the following fiscal year. The Operating and Capital Budget establishes controls on changes in appropriations for the various funds. The District adopts its appropriations limit for the fiscal year in compliance with the requirements established by the Constitution of the State of California. Finally, the Board approves and adopts the employee classification and compensation plan indicating the number of positions approved for each classification and assigning titles for those positions. This is done for the efficient and effective operation of the District.

The Board of Directors also approves and implements the policies and resolutions that drive all financial decision making for the District.

Reserve Policies

Resolution No. 95-10

This resolution establishes a Wastewater Capital Reserve Fund.

Resolution No. 95-20

This resolution establishes a Water Capital Reserve Fund.

Resolution No. 95-21

This resolution establishes an Internal Services (General Fund) Capital Reserve Fund.

Resolution No. 2013-01

This resolution establishes a bidding and contract procedures policy. The purpose of this resolution is to establish guidelines for competitive bidding for any project. It goes on to identify the types of projects and approval amounts for each.

Minor Project

A project or service required by the District which is estimated by the General Manager to cost \$75,000 or less, and which may be awarded and negotiated by the General Manager, in contract or purchase order form.

Intermediate Project

A project or service required by the District which is estimated by the General Manager to cost more than \$75,000 but less than \$150,000 to complete.

Major Project

A project or service required by the District which is estimated by the General Manager to cost \$150,000 or more to complete.

Investment Policies

The District’s investment policies outline 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.

Policy No. 2017-1 - Investment Policy

The purpose of this investment policy is to provide guidelines for the prudent investment of the District funds in conformance with California Government Code and other legal requirements governing the investment of public funds.

Resolution No. 2017-10

The purpose of this resolution is to authorize the District to join with other public agencies as a participant of the Investment Trust of California, carrying on business as CalTrust. The District is a voluntary participant in CalTrust, which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. As of May 31, 2023, the District’s investment in CalTrust is \$35,773,682, of which \$2,640,878 was invested in the Liquidity funds pool, \$11,614,564 in the Short-term pool, and \$21,518,240 in the Medium-term pool.

Resolution No. 2018-15

The purpose of this resolution is to establish a policy for procurement and disbursement of district funds. It provides for a procurement system of quality and integrity; provides for the fair and equitable treatment of all persons or firms involved in purchasing by the District; ensures that supplies and services are procured efficiently, effectively, and at the most favorable prices available to the District; promotes competition in contracting; and ensures that MSWD purchasing actions are in full compliance with applicable Federal standards, State, and local laws. All other policies and resolutions involving procurement fall within this resolution.

Policy No. 2009-1

The purpose of this policy is to establish consultant/vendor invoice processing guidelines. Department supervisory staff are authorized to obligate the District for necessary costs and expenses required to fulfill the goals of the adopted budgets authorized by the Board of Directors.

Policy No. 2010-3

The purpose of this policy is to establish petty cash disbursement/replenishment guidelines. It is the purpose of this policy to outline provisions for the disbursement and replenishment of the petty cash fund established at \$200.

Policy No. 2011-1

The purpose of this policy is to establish the use of District credit card guidelines. This policy supersedes Policy 95-2. The issuance of credit cards assists the Finance Department in keeping an accurate record of charges incurred by each individual assigned a card. This system provides management with a check and balance method on budgeting items such as seminars, conferences, travel and training plus individual charges of necessary District materials and supplies.

Resolution No. 2018-02

The purpose of this resolution is to establish designated officers for disbursement of District funds and authorize to sign checks, drafts and transfers with all active bank accounts of the District. These officers may act in a fiduciary capacity for the District.

Resolution No. 2017-11

The purpose of this resolution is to establish and adopt a debt management policy of the District. Senate Bill No. 1029 was passed by the California State Legislature in August 2016 and became law on September 12, 2013, requiring local agencies such as MSWD to adopt comprehensive written debt management policies reflecting local, state and federal laws and regulations.

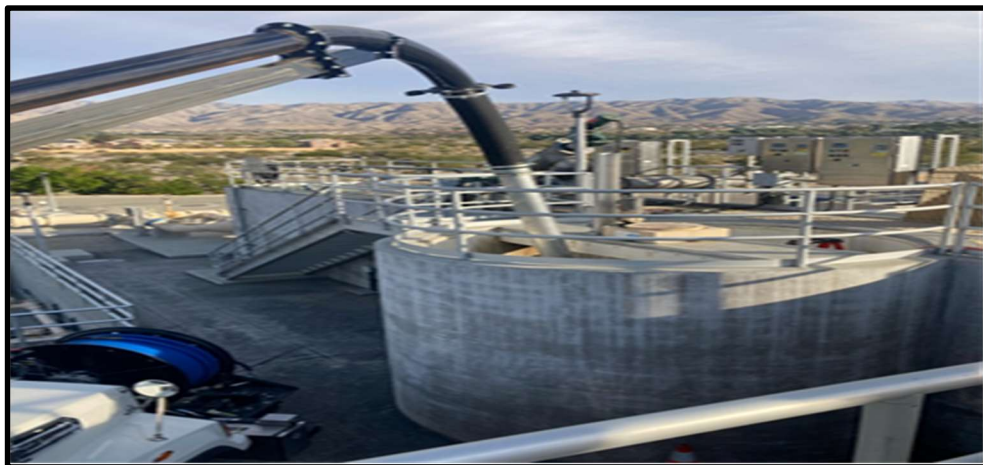


FINANCIAL SUMMARIES

Budget Summary

The expense operating budget for FY 2024 is approximately \$23.7 million and is accompanied by \$87.1 million in capital improvements for a total budget of approximately \$110.8 million. This is a significant increase in total budget expenses when compared to FY 2023. The increase can be directly attributed to the construction of the Regional Water Reclamation Facility and the new Administration Building. The Regional Water Reclamation Facility is expected to be completed in FY 2024.

	Budget FY 2024	Budget Change	Budget FY 2023	Budget Change	Budget FY 2022
Operating Budget					
Operating Revenue	\$21,191,788	\$5,364	\$21,186,424	\$1,199,270	\$19,987,154
Operating Expenses	\$23,743,905	\$616,912	\$23,126,993	\$1,999,232	\$21,127,761
Operating Income	(\$2,552,117)	(\$611,548)	(\$1,940,569)	(\$799,962)	(\$1,140,607)
Expenses					
Operating Expenses	\$23,743,905	\$616,912	\$23,126,993	\$1,999,232	\$21,127,761
Capital Improvement Projects	\$87,117,465	\$23,755,462	\$63,362,033	\$32,772,684	\$30,589,349
Total Budget	\$110,861,370	\$24,372,374	\$86,933,328	\$34,771,916	\$51,717,110



Net Income Summary

The Net Income for FY 2024 is approximately \$68.7 million, which is significantly higher than FY 2023. The increase can be directly attributed to the use of state and federal grants for the construction of the new Regional Water Reclamation Facility and the new Administration Building.

	Budget FY 2024	Budget Change	Budget FY 2023	Budget Change	Budget FY 2022
Operating Revenues	\$21,191,788	\$5,364	\$21,186,424	\$1,199,270	\$19,987,154
Operating Expenses (Before Depreciation Expense)	\$19,294,305	\$192,863	\$19,101,442	\$1,912,129	\$17,189,313
Net Operating Income (Loss)	\$1,897,483	(\$187,499)	\$2,084,982	(\$712,859)	\$2,797,841
Depreciation Expense	(\$4,449,600)	(\$424,049)	(\$4,025,551)	(\$87,103)	(\$3,938,448)
Non-Operating Revenue/(Expense)	\$71,282,585	\$25,411,216	\$45,871,369	\$36,313,057	\$9,558,312
Net Income	\$68,730,468	\$24,799,668	\$43,930,800	\$35,513,095	\$8,417,705



Summary of Revenue by Operating Fund

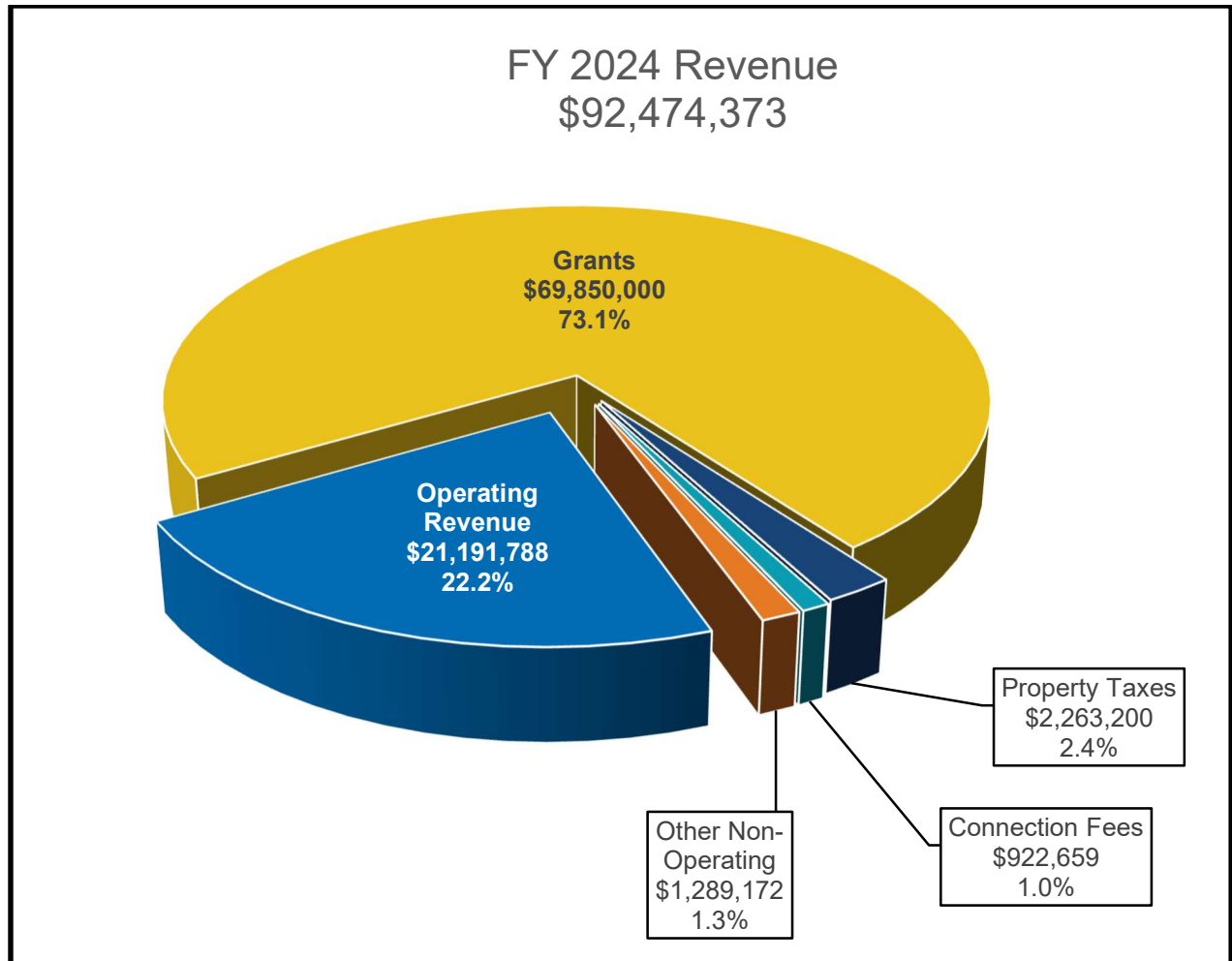
MSWD receives funding from a variety of sources: domestic water sales, wastewater service charges, connection fees, property taxes, grants, investment income, rental property, cellular tower leases, solar power generation, and charges for miscellaneous services.

For FY 2024, the Operating Revenue budget equals \$21,191,788, and the Non-Operating Revenue budget equals \$71,282,585, for a Total Revenue budget of \$92,474,373. A significant source of funding is the use of grants for capital improvement projects, which have been obtained from both state and federal agencies and have allowed MSWD to adopt a budget that includes no fee or rate increases for any of its services.

Revenue Source	FY 2024 Total	General District	Water District	Sewer District
Operating Revenue				
Base Service Charge	\$2,924,400	\$0	\$2,924,400	\$0
Water Consumption	\$9,200,400	\$0	\$9,200,400	\$0
Meter Installations	\$122,520	\$0	\$122,520	\$0
Sewer Service	\$7,388,400	\$0	\$0	\$7,388,400
Other Operating Revenue	\$1,306,132	\$0	\$1,306,132	\$0
Standby Charges	\$245,916	\$0	\$233,148	\$12,768
Fats, Oils, and Grease Fees	\$4,020	\$0	\$0	\$4,020
Sub-Total Operating Revenue	\$21,191,788	\$0	\$13,786,600	\$7,405,188
Non-Operating Revenue				
Connection Fees	\$922,659	\$0	\$682,659	\$240,000
Property Taxes	\$2,263,200	\$968,640	\$708,996	\$422,353
Solar Credits	\$250,000	\$250,000	\$0	\$0
Site Rentals	\$100,800	\$100,800	\$0	\$0
Investment Income	\$1,187,472	\$332,600	\$394,600	\$242,100
Unrealized Gains/Losses	\$101,700	\$36,000	\$52,500	\$13,200
Interest Expense	(\$841,129)	\$0	(\$19,272)	(\$207,086)
Grants	\$69,850,000	\$0	\$300,000	\$69,550,000
Sub-Total Non-Operating Revenue	\$71,282,585	\$1,688,040	\$255,833	\$70,234,549
Total Revenue	\$92,474,373	\$1,688,040	\$14,143,233	\$78,208,107

Total Revenue for Fiscal Year 2024

For FY 2024, the Operating Revenue equals \$21,191,788, and the Non-Operating Revenue equals \$71,282,585, for a Total Revenue of \$92,474,373.



Summary of Revenue by Year

MSWD receives funding from a variety of sources: domestic water sales, wastewater service charges, connection fees, property taxes, grants, investment income, rental property, cellular tower leases, solar power generation, and charges for miscellaneous services.

For FY 2024, Operating Revenue and net Non-Operating Revenue amounted to \$21,191,788 and \$71,282,585, respectively, for a combined total revenue of \$92,474,373. FY 2024 Operating Revenue increased minimally compared to FY 2023. However, FY 2024 Non-Operating Revenue increased significantly compared to FY 2023 mainly due to the increase in the use of grants for capital improvement projects, in particular the Regional Water Reclamation Facility and the new Administration Building.

Revenue Source	FY 2024	FY 2023	FY 2022
Operating Revenue			
Base Service Charge	\$2,924,400	\$2,886,840	\$2,861,400
Water Consumption	\$9,200,400	\$9,171,804	\$9,126,200
Meter Installations	\$122,520	\$73,800	\$13,680
Sewer Service	\$7,388,400	\$7,570,000	\$7,125,000
Other Operating Revenue	\$1,306,132	\$1,231,716	\$609,030
Standby Charges	\$245,916	\$248,244	\$248,244
Fats, Oils, and Grease Fees	\$4,020	\$4,020	\$3,600
Sub-Total Operating Revenue	\$21,191,788	\$21,186,424	\$19,987,154
Non-Operating Revenue			
Connection Fees	\$922,659	\$844,440	\$516,953
Property Taxes	\$2,263,200	\$2,099,989	\$1,517,480
Solar Credits	\$250,000	\$225,000	\$0
Site Rentals	\$100,800	\$77,352	\$0
Investment Income	\$1,187,472	\$574,959	\$513,057
Unrealized Gains/Losses	\$101,700	(\$311,964)	(\$29,148)
Interest Expense	(\$841,129)	(\$226,358)	(\$248,256)
Grants	\$69,850,000	\$42,849,311	\$7,288,226
Sub-Total Non-Operating Revenue	\$71,282,585	\$45,871,369	\$9,558,312
Total Revenue	\$92,474,373	\$67,057,793	\$29,545,466

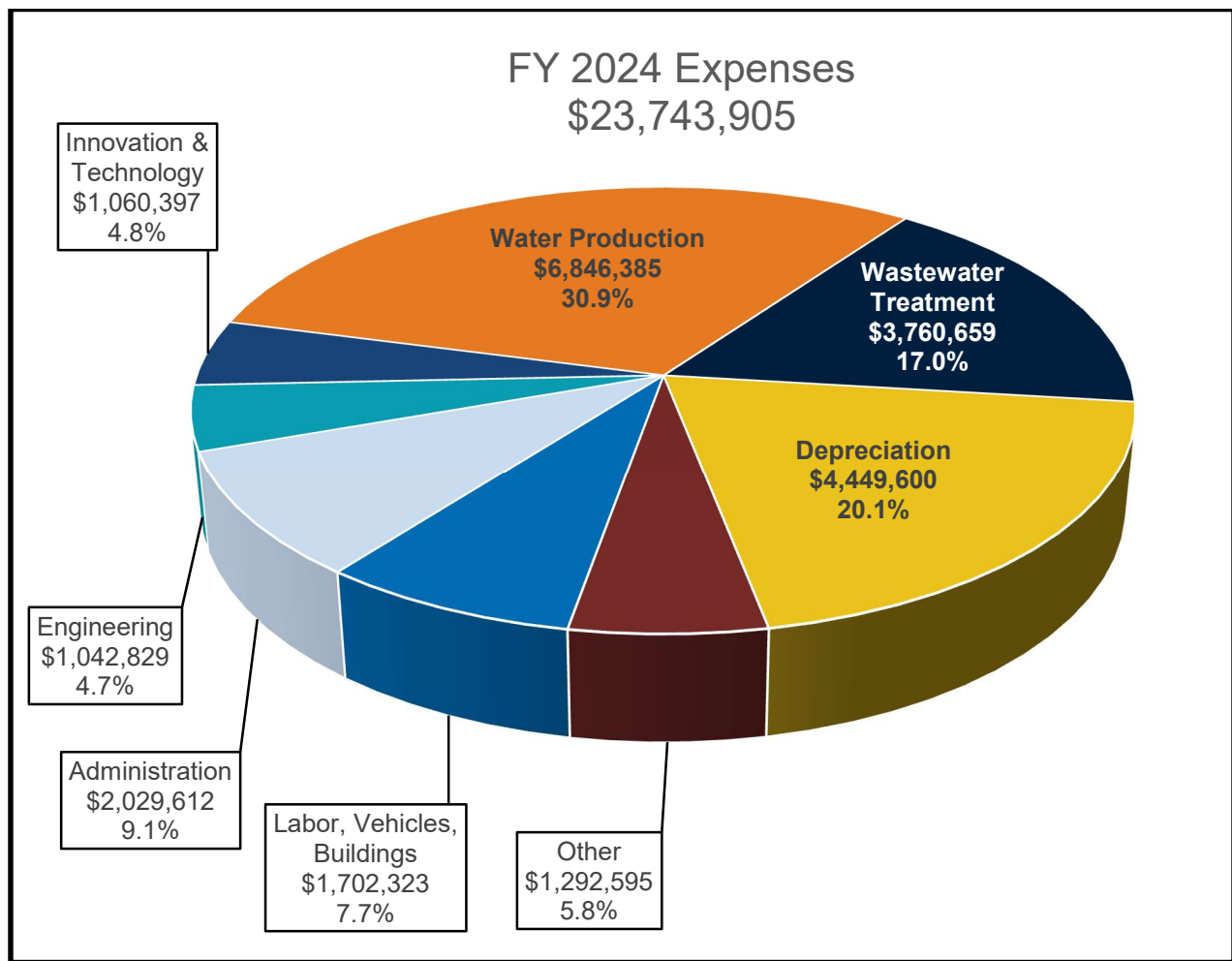
Operating Fund Revenue Over Expenditures by Fund

The following table provides a breakdown of operating revenue and expenditures by fund for FY 2024. The table shows a Net Operating Loss of \$2,552,117 for FY 2024.

	Combined District's Total Funds	Operating Funds		
		General District	Water District	Sewer District
Operating Revenues	\$21,191,788	\$0	\$13,786,420	\$7,405,368
Operating Expenses				
Customer Accounts	\$1,559,505	\$361,953	\$1,197,552	\$0
Buildings and Grounds	\$180,441	\$180,441	\$0	\$0
Vehicle Maintenance	\$655,244	\$655,244	\$0	\$0
Central Services	\$866,638	\$866,638	\$0	\$0
Administration	\$2,029,612	\$2,029,612	\$0	\$0
Information Technology	\$1,060,397	\$1,060,397	\$0	\$0
Board of Directors	\$618,546	\$618,546	\$0	\$0
Public Affairs	\$748,817	\$571,757	\$177,060	\$0
Human Resources	\$434,304	\$434,304	\$0	\$0
Engineering	\$1,042,829	\$952,829	\$81,000	\$9,000
Accounting	\$615,316	\$615,316	\$0	\$0
Pumping	\$4,374,202	\$0	\$4,374,202	\$0
Transmission & Distribution	\$2,472,183	\$0	\$2,472,183	\$0
Collections	\$720,040	\$0	\$0	\$720,040
Treatment	\$1,827,628	\$0	\$0	\$1,827,628
Disposal	\$1,212,991	\$0	\$0	\$1,212,991
Other	\$0	\$0	\$0	\$0
Depreciation	\$4,449,600	\$298,320	\$2,416,848	\$1,734,432
Capital Labor and Costs	\$0	\$0	\$0	\$0
Administrative Costs Allocated	(\$1,124,388)	(\$8,645,357)	\$5,255,741	\$2,265,228
Total Operating Expense	\$23,743,905	\$0	\$15,974,586	\$7,769,319
Net Operating Loss	(\$2,552,117)	\$0	(\$2,188,166)	(\$363,951)

Total Expenses for Fiscal Year 2024

The operating budget for FY 2024 is approximately \$23,743,905. In addition, there is also \$87,117,465 in capital improvements which equals a total budget of approximately \$110,861,370. This is a significant increase in total budget expenses when compared to FY 2023 due primarily to the construction of the Regional Water Reclamation Facility and the new Administration Building. MSWD substantially reduced its non-grant funded capital improvement program, and all other expenses were decreased or held to costs in the FY 2023 budget.



Operating Fund Revenue Over Expenditures by Year

The following table provides a breakdown of operating revenue and expenditures by fund for FY 2024. The table shows a Net Operating Loss of \$2,552,117 for FY 2024, which is slightly higher compared to FY 2023.

	FY 2024	FY 2023	FY 2022
Operating Revenues	\$21,191,788	\$21,186,424	\$19,987,154
Operating Expenses			
Customer Accounts	\$1,559,505	\$2,096,048	\$1,616,216
Buildings and Grounds	\$180,441	\$155,360	\$166,586
Vehicle Maintenance	\$655,244	\$488,084	\$360,242
Central Services	\$866,638	\$780,891	\$675,775
Administration	\$2,029,612	\$3,250,786	\$2,588,014
Information Technology	\$1,060,397	\$1,096,512	\$957,030
Board of Directors	\$618,546	\$399,776	\$361,788
Public Affairs	\$748,817	\$770,665	\$707,264
Human Resources	\$434,304	\$382,500	\$341,322
Engineering	\$1,042,829	\$1,023,476	\$2,244,367
Accounting	\$615,316	\$536,796	\$376,040
Pumping	\$4,374,202	\$3,507,755	\$3,010,938
Transmission & Distribution	\$2,472,183	\$2,327,279	\$1,982,282
Collections	\$720,040	\$512,448	\$487,488
Treatment	\$1,827,628	\$2,159,312	\$1,799,005
Disposal	\$1,212,991	\$850,198	\$586,364
Other	\$0	\$0	\$0
Depreciation	\$4,449,600	\$4,025,551	\$3,938,448
Capital Labor and Costs	\$0	\$0	\$0
Administrative Costs Allocated	(1,124,388)	(\$1,236,444)	(\$1,071,408)
Total Operating Expense	\$23,743,905	\$23,126,993	\$21,127,761
Net Operating Income (Loss)	(2,552,117)	(\$1,940,569)	(\$1,140,607)

Summary of Expenditures by Year

The following table provides a breakdown of operating expenses by year. The table shows a slight increase in operating expenses in FY 2024 compared to FY 2023.

Operating Expenses	FY 2024	FY 2023	FY 2022
Salaries and Wages	\$5,004,711	\$4,795,173	\$4,268,359
Employee Benefits	\$990,364	\$928,302	\$817,481
Fringe Benefits	\$2,668,262	\$2,686,731	\$2,504,084
Materials and Supplies	\$2,403,810	\$1,926,622	\$1,579,186
Outside Services	\$4,937,125	\$4,305,731	\$4,025,900
Groundwater Replenishment Fees	(145,944)	(\$130,668)	(\$145,176)
Utilities	\$2,363,631	\$2,039,999	\$1,499,998
Director's Fees	\$60,000	\$60,000	\$60,000
Engineering	\$66,000	\$42,000	\$42,000
Insurance	\$210,100	\$191,040	\$221,304
Audit	\$60,000	\$66,000	\$48,000
Long-Range Financial Plan (Rate Study)	\$96,000	\$72,000	\$0
Legal	\$504,000	\$865,000	\$750,000
Fixed Assets	\$771,014	\$2,051,157	\$2,202,684
Depreciation	\$4,449,600	\$4,025,551	\$3,938,448
Standby Reports	\$16,300	\$19,380	\$16,145
Dues and Subscriptions	\$78,402	\$68,907	\$60,402
Training and Conferences	\$259,558	\$254,152	\$214,294
Groundwater Management	\$20,000	\$20,000	\$20,000
Other Expenses	\$55,360	\$76,360	\$76,060
General District Allocation	(\$1,124,388)	(\$1,236,444)	(\$1,071,408)
Total Operating Expenses	\$23,743,905	\$23,126,993	\$21,127,761

Summary of Expenditures by Division

Board of Directors

The Mission Springs Water District is governed by a Board of Directors consisting of five elected members. The Board meets the third Monday of every month at the District's Administration Building located at 66575 Second Street in the City of Desert Hot Springs, California. The Board's activities relate to the governing of the District, establishing policy through approval of the budget, resolutions and ordinances, and participating in community affairs, intergovernmental relations, and participation at selected water organization activities. Salaries and benefits included in this division represent the staff needs to manage and support the Board of Directors.

FY 2024 Operating Expenses	
Salaries and Wages	\$248,364
Employee Benefits	\$32,844
Fringe Benefits	\$137,088
Materials and Supplies	\$1,200
Outside Services	\$88,200
Director's Fees	\$60,000
Training and Conferences	\$50,850
Total Operating Expenses	\$618,546



Administration

Administration is responsible for the overall day-to-day management of the District. Daily management includes the planning, control, direction, and evaluation of the District’s programs and resources. Administration staff researches and prepares recommendations for consideration by the Board on issues facing the District. Vested in Administration is the primary responsibility for assuring that Board policies are properly administered. The operating cost of Administration goes toward conservation, legal services, water resource activities, training, professional memberships, policies, procedures, analysis and reporting of goals and outcomes of the District.

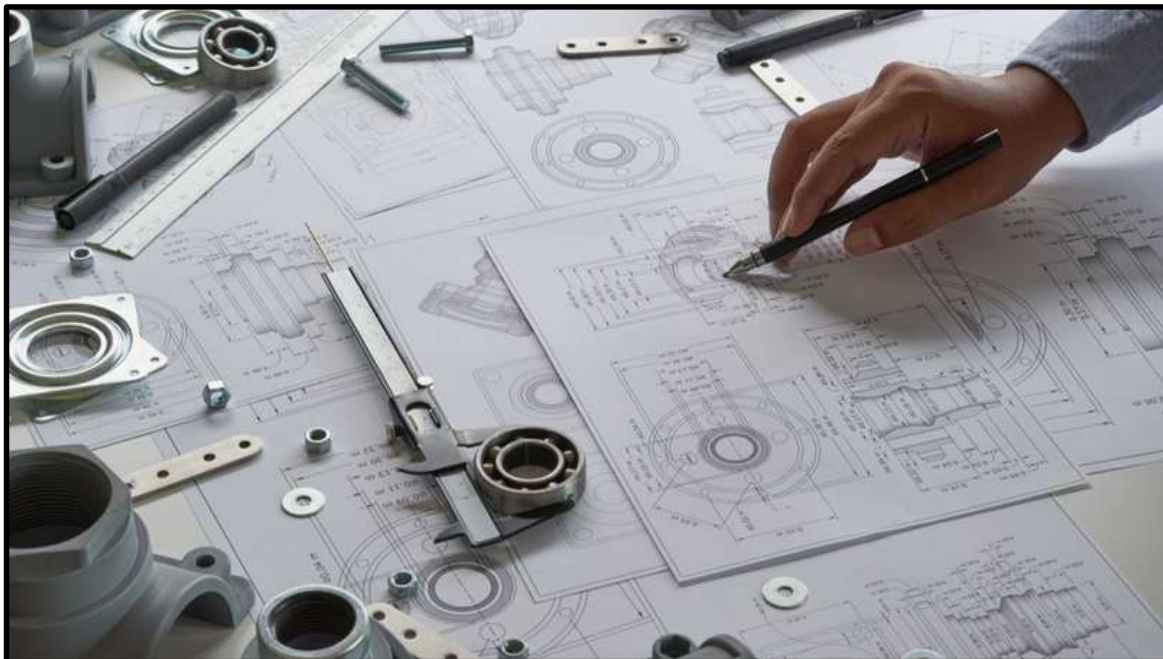
FY 2024 Operating Expenses	
Salaries and Wages	\$804,915
Employee Benefits	\$134,560
Fringe Benefits	\$451,406
Materials and Supplies	\$93,640
Outside Services	\$738,128
Utilities	\$54,250
Insurance	\$210,100
Legal	\$504,000
Fixed Assets	\$164,020
Dues and Subscriptions	\$69,627
Training and Conferences	\$105,908
Total Operating Expenses	\$3,330,554



Engineering & Water Resources

The Engineering and Water Resources division is responsible for designing and building water infrastructure improvements to ensure adequate water supply and pressure for the current and future needs of the District.

FY 2024 Operating Expenses	
Salaries and Wages	\$248,820
Employee Benefits	\$48,900
Fringe Benefits	\$145,140
Materials and Supplies	\$6,550
Outside Services	\$500,419
Engineering	\$66,000
Dues and Subscriptions	\$3,500
Training and Conferences	\$8,500
Other Expenses	\$15,000
Total Operating Expenses	\$1,042,829



Finance

The Finance and Customer Service divisions establish new water services, records customer water consumption, generates utility statements, handles customer service inquiries, and maintains accurate account records. Responsibilities include: budget preparation and development, accounting, auditing, financial reporting, debt management, and revenue collection.

FY 2024 Operating Expenses	
Salaries and Wages	\$950,052
Employee Benefits	\$252,408
Fringe Benefits	\$586,200
Materials and Supplies	\$4,300
Outside Services	\$197,601
Audit	\$60,000
Rate Study	\$96,000
Dues and Subscriptions	\$100
Training and Conferences	\$25,800
Other Expenses	\$2,360
Total Operating Expenses	\$2,174,821



Innovation and Technology

The Innovation and Technology (IT) division was formally established in FY 2021-22 and is responsible for the administration and coordination of the District’s computer systems, including the Geographic Information System (GIS), and Supervisory Control and Data Acquisition (SCADA). The IT division provides ongoing support for future planning, employee technical training, and coordinates related services with contract consultants. Information system supported by IT include: telephones, cell phones, radio communication systems, voice-mail, routers, switches, VPN, and firewalls. IT also maintains internet and intranet connections including the monitoring and security of the District’s computer network data traffic.

FY 2024 Operating Expenses	
Salaries and Wages	\$103,572
Employee Benefits	\$17,016
Fringe Benefits	\$58,788
Materials and Supplies	\$15,000
Outside Services	\$535,027
Fixed Assets	\$322,994
Training and Conferences	\$8,000
Total Operating Expenses	\$1,060,397



Public Outreach

The Public Outreach division is responsible for public outreach, news/media inquiries, education, and management of the District’s conservation programs.

FY 2024 Operating Expenses	
Salaries and Wages	\$107,556
Employee Benefits	\$15,396
Fringe Benefits	\$59,940
Materials and Supplies	\$168,900
Outside Services	\$320,500
Dues and Subscriptions	\$2,525
Training and Conferences	\$16,000
Groundwater Management	\$20,000
Other Expenses	\$38,000
Total Operating Expenses	\$748,817



Water Operations

Water Operations is responsible for water treatment, storage, production, pumping, and distribution systems. Responsibilities include maintenance of the water production system including: 13 wells, 24 storage tanks, and 12 booster stations.

Water Operations also provides customers with high quality potable water. The distribution system requires a team effort of daily operation and regular maintenance to ensure a reliable and consistent water supply. Water Operations maintains and replaces: service lines, valves, and fire hydrants. This also includes meter readers which read approximately 13,840 meters per month using manual and automated meter reading technology.

FY 2024 Operating Expenses	
Salaries and Wages	\$1,414,332
Employee Benefits	\$289,452
Fringe Benefits	\$711,864
Materials and Supplies	\$1,852,920
Outside Services	\$1,408,660
Groundwater Replenishment Fees	(\$145,944)
Utilities	\$1,818,486
Fixed Assets	\$284,000
Standby Reports	\$13,300
Training and Conferences	\$35,000
Total Operating Expenses	\$7,682,070



Wastewater Operations

Wastewater Operations is responsible for the wastewater collections, treatment, and disposal systems. Responsibilities include maintenance of the wastewater system including: 2 treatment plants, 125.1 miles of sanitary sewer lines, and 2,384 manholes.

FY 2024 Operating Expenses	
Salaries and Wages	\$1,127,100
Employee Benefits	\$199,788
Fringe Benefits	\$517,836
Materials and Supplies	\$261,300
Outside Services	\$1,148,590
Utilities	\$490,895
Standby Reports	\$3,000
Dues and Subscriptions	\$2,650
Training and Conferences	\$9,500
Total Operating Expenses	\$3,760,659



Debt Service Fund Detail

The District has approximately \$7 million in outstanding long-term debt. Most of this debt is related to the Groundwater Quality Protection Program which has been expanding the District’s sewer collection system and converting septic systems in the area for over 19 years. This debt is secured by assessment districts (not sanitary sewer rates) passed by local voters and the District uses collections from those assessments to service these debt payments. The following is a summary of the long-term debt and the amounts expected to be paid in FY 2024.

Long-Term Debt	Beginning Balance	Paid in FY 2023	Ending Balance	Due in FY 2024
Special Assessment Bonds – Assessment District #4	\$4,000	\$4,000	\$0	\$0
Special Assessment Bonds – Assessment District #7	\$45,000	\$14,000	\$31,000	\$15,000
COP – U.S. Department of Agriculture – 2001	\$238,001	\$8,200	\$229,801	\$8,600
Installment Sale Agreement – City National Bank – 2017	\$1,225,517	\$256,305	\$969,212	\$263,792
Installment Sale Agreement – Hollman Capital Corporation	\$212,753	\$15,614	\$197,139	\$16,275
SWRCB – Assessment District #12, Phase IV	\$3,160,201	\$232,986	\$2,927,215	\$238,111
Installment Sale Agreement – City National Bank – 2013	\$835,462	\$58,182	\$777,280	\$60,591
Installment Sale Agreement – BBVA Compass Bank – 2014	\$1,911,344	\$120,910	\$1,790,434	\$125,733
Total Long-Term Debt	\$7,632,278	\$710,197	\$6,922,081	\$728,102



Assessment District #4 Special Assessment Bonds, Series R-1

On February 15, 1983, the District issued special assessment bonds for \$88,200 for the construction of District improvements. The interest rate on the bonds is 11.375% per annum. Interest on the bonds is payable semi-annually on January 2 and July 2. Principal matures July 2 of each year through 2022.

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.

Certificates of Participation – United States Department of Agriculture

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.

Assessment District #12, Phase I and Phase II – Refinance

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.

Mission Creek – 80 Acres

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.

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

In August 2012 (and later amended in January 2013), the District entered into a financing agreement with the State Water Resources Control Board (SWRCB) for a total amount of \$9,957,921 for the purpose of financing Assessment District #12, Phase III 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.

Assessment District #12, Phase V

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.

Assessment District #12, Phase VI

On November 1, 2014, the District entered into an installment sales agreement with BBVA Compass Bank in the amount of \$2,700,000. The proceeds were used to purchase Assessment District #12 bonds totaling \$2,582,000 for Phase VI costs. The interest rate on the installment sales agreement is 3.95% 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.

Installment Sales Agreement – Nancy Wright Regional Water Reclamation Facility

On January 26, 2023, the District entered into an installment sales agreement with Wells Fargo Bank in the amount of \$15,000,000. The proceeds were used for cashflow resources while the District waits to submit a grant reimbursement for the Nancy Wright Regional Water Reclamation Facility. The final grant submittal approval was received on June 1, 2023, and the first grant disbursement is expected in August 2023. The interest rate on the installment sales agreement is 3.99% per annum. Interest only payments are due every month and the principal matures on January 25, 2025.

CAPITAL IMPROVEMENTS

For financial reporting purposes, a capital item is defined as an individual item with a cost of at least \$10,000 and an estimated useful life of more than one year. Each year as part of the budgetary process, the District’s staff contemplates capital needs for the coming fiscal year in conjunction with any capital plans that are in place. These annual analyses are based on facts known at the time of the preparation of the budget. The District’s capital items include water and sewer infrastructure, facilities, equipment, and fleet.



The District’s ongoing capital program represents improvements and/or replacements of critical infrastructure in both the water and sewer systems. District staff continually monitor system conditions and propose projects annually that will minimize system breakdown and increase system efficiencies. District vehicles and equipment are also part of the capital program. Because capital projects often span more than one fiscal year, appropriations of funds are carried over from one fiscal year to the next until the projects are completed. Funding for capital projects come from a variety of sources including rates, loans, grants, and assessment districts.

Summary of Reserve

Over the past several years, and because of the 2016 rate action, the District’s reserves have stabilized. The Board and staff continue to monitor these levels to ensure the financial stability of the District in the future. These reserves enable the District to properly maintain and replace its necessary infrastructure as well as create an emergency reserve against external circumstances.

MSWD continues to maintain financial stability and strong reserves through prudent and conservative money management practices, despite volatile financial markets.

The District converted its treasury holdings to CalTrust. CalTrust has provided significantly better total investment returns for the District since joining in 2017. While complying with California Government Code 53601 and 53605, CalTrust seeks to attain as high a level of current income as is consistent with preservation of principal and aligned with the public agency funds guidepost of Safety, Liquidity, and Yield. The District holds cash reserves for various



purposes, the largest of which is a Capital Reserve Fund of approximately \$43.5 million as of May 31, 2023 as shown in the table below.

Wells Fargo	Fund Total
Operating Cash Account	\$7,700,249
CalTrust	
Liquidity Fund	\$2,640,878
Short-Term Fund	\$11,614,564
Medium-Term Fund	\$21,518,240
Sub-Total CalTrust	\$35,773,682
Total District Cash	\$43,473,931

Equipment Replacement Program

The District maintains an Equipment Replacement Fund. Currently, there are five pieces of equipment that need replacement during FY 2024 totaling \$612,000. These five items are in support of the Water District Fund. Funds expended on equipment replacement projects in the current year will be spent on projects approved by the Board of Directors in previous years (continuing appropriations) as well as the current year. Continuing appropriations from FY 2023 total \$580,000, and additional equipment added during FY 2024 total \$32,000, for a total of \$612,000 in the FY 2024 Budget as shown in the table below.

Description	Continuing Appropriations from FY 2023	Proposed for FY 2024	Final for FY 2024	Fund in FY 2024 Budget
Potable Water Truck	\$178,000	\$0	\$178,000	\$0
New 2022 John Deere 310 Backhoe	\$156,000	\$0	\$156,000	\$0
2022 Ford F-650 Diesel Dump Truck	\$129,000	\$0	\$129,000	\$0
New 2022 Harlo Forklift	\$117,000	\$0	\$117,000	\$0
John Deere 3032E Compact Utility Tractor	\$0	\$32,000	\$32,000	\$32,000
Total Operating Expenses	\$580,000	\$32,000	\$612,000	\$32,000

Capital Improvement Program Summary

The District maintains a 5-year Capital Improvement Program. Currently, there are 57 projects in the Capital Improvement Program totaling \$148,596,540. Funds expended on capital projects in the current year will be spent on projects approved by the Board of Directors in previous years (continuing appropriations) as well as the current year. Continuing appropriations from FY 2023 total \$148,223,032 and additional projects added during FY 2024 total \$4,682,100. However, only \$87,117,465 will be funded from the FY 2024 Budget as shown in the table below.

Total Continuing Appropriations from FY 2023 Budget	\$148,223,032
Total Capital Projects added for FY 2024 Budget	\$4,682,100
Final Capital and Continuing Appropriations for FY 2024 Budget	\$148,596,540
Funded Projects for FY 2024 Budget	\$87,117,465

Of the \$87,117,465 to be funded during FY 2024, it is expected that \$70,850,000 will be funds collected from Assessment Districts and Grants, \$16,200,000 from low-interest loans, and only \$67,465 from the District’s Capital Reserve Fund as shown in the table below.

Budgeted Cash Outflow Related to Capital Projects	\$87,117,465
Expected Proceeds from Assessment Districts and Grants	(\$70,850,000)
Expected Proceeds from Low-Interest Loans	(\$16,200,000)
Expected Net Cash Outflow Related to Capital Projects	\$67,465

Of the 57 projects in the 5-year Capital Improvement Program, there are two projects totaling \$34,067,694 for the General District, 34 projects totaling \$12,293,836 for the Water District, and there are 21 projects totaling \$40,455,935 for the Sewer District.

Budgeted Cash Outflow Related to Capital Projects	\$87,117,465
2 Projects Benefiting the General District Fund	\$34,067,694
34 Projects Benefiting the Water District Fund	\$12,293,836
21 Projects Benefiting the Sewer District Fund	\$40,455,935

Capital Improvement Program Projects

The District maintains a 5-year Capital Improvement Program. Currently, there are 57 projects in the Capital Improvement Program totaling \$148,596,540. Funds expended on capital projects in the current year will be spent on projects approved by the Board of Directors in previous years (continuing appropriations) as well as the current year. Continuing appropriations from FY 2023 total \$148,223,032 and additional projects added during FY 2024 total \$4,682,100. However, only \$87,117,465 will be funded from the FY 2024 Budget for the 57 individual capital projects as shown in the table below.

Description	Continuing Appropriations from FY 2023	Proposed for FY 2024	Final for FY 2024	Fund in FY 2024 Budget
Well #42	\$4,600,000	\$0	\$4,600,000	\$1,510,777
1530 Zone Redbud Tank #2	\$80,000	\$0	\$80,000	\$9,292
I-10 & Indian Sewer Collection System	\$602,000	\$50,000	\$652,000	\$57,332
Regional Wastewater Reclamation Facility	\$51,000,000	\$0	\$51,000,000	\$20,001,215
GQPP Area M-2 (AD #15)	\$10,250,000	\$1,200,000	\$11,450,000	\$10,819,868
Conveyance Line from LS to RWRP	\$8,300,000	\$0	\$8,300,000	\$7,257,876
Chromium 6 Compliance Study	\$200,000	\$0	\$200,000	\$185,511
HWWTP Influent Pump Station Odor Control	\$730,000	\$0	\$730,000	\$82,745
Well 29 Chromium 6 Treatment Design	\$200,000	\$0	\$200,000	\$200,000
GQPP Area J-2	\$300,000	\$0	\$300,000	\$6,146
HWWTP ASU Demolition	\$167,275	\$0	\$167,275	\$122,198
HWWTP Percolation Ponds	\$380,000	\$0	\$300,000	\$29,786
GQPP Areas H & I Design and Engineering	\$460,000	\$0	\$460,000	\$129,775
Block Wall at Corporate Yard & Wastewater Facility	\$155,000	\$0	\$155,000	\$153,548




Description	Continuing Appropriations from FY 2023	Proposed for FY 2024	Final for FY 2024	Fund in FY 2024 Budget
Block Wall & Fence at Terrace Reservoir	\$226,288	\$0	\$226,288	\$200,340
Booster Pump Rehabilitation Program	\$150,000	\$0	\$150,000	\$80,515
Modular Enclosure – Chlorine Equipment & Well Sites	\$124,180	\$0	\$124,180	\$38,018
Pavement Repairs – Corporate Yard	\$345,575	\$0	\$345,575	\$301,818
Terrace Reservoir #1	\$754,343	\$0	\$754,343	\$3,675
Terrace Reservoir #2	\$814,461	\$0	\$814,461	\$42,086
Terrace Reservoir #3	\$361,363	\$0	\$361,363	\$40,480
Vista Reservoir Rehabilitation	\$975,427	\$0	\$975,427	\$449,448
Well 22 Rehabilitation	\$660,000	\$900,000	\$1,560,000	\$1,328,219
HWWTP Above Ground Piping & Appurtenance Rehabilitation	\$150,000	\$0	\$150,000	\$9,656
HWWTP SCADA Upgrades	\$129,008	\$0	\$129,008	\$94,006
GQPP Area A & G Design & Engineering	\$1,600,000	\$0	\$1,600,000	\$1,099,118
New Administration Building	\$33,300,000	\$0	\$33,300,000	\$31,802,667
2020 Water CIP Pipeline Replacement	\$2,264,975	\$0	\$2,264,975	\$989,786
Sewer System Collections	\$750,000	\$0	\$750,000	\$192,873
Well & Reservoir Site Security Cameras	\$225,075	\$0	\$225,075	\$222,708
Emergency Backup Generator Well 27/31	\$411,002	\$0	\$411,002	\$395,166
Emergency Backup Generator Well 32	\$300,331	\$0	\$300,331	\$284,230

Description	Continuing Appropriations from FY 2023	Proposed for FY 2024	Final for FY 2024	Fund in FY 2024 Budget
Emergency Backup Generator Well 37	\$330,331	\$0	\$300,331	\$284,200
Filtration for HWWTP	\$1,500,000	\$0	\$1,500,000	\$391,082
GQPP Area D3-1 Sewer Design	\$156,000	\$0	\$156,000	\$147,159
Portable Booster/Transfer Pump	\$180,000	\$0	\$180,000	\$180,000
Trailer Mounted Portable Generators	\$537,375	\$0	\$537,375	\$537,375
Reservoir Rehabilitation Program Design FY 2022	\$120,000	\$0	\$120,000	\$120,000
Well Rehabilitation Program Design FY 2022	\$120,000	\$0	\$120,000	\$66,472
Supplemental Environmental Project	\$0	\$300,000	\$300,000	\$300,000
Administration Office Repairs (Drywall & Painting)	\$135,000	\$0	\$135,000	\$99,661
Pierson Blvd Slurry Seal Project	\$183,000	\$0	\$183,000	\$183,000
Riverside County Mountain View Resurfacing Project	\$33,000	\$0	\$33,000	\$33,000
Well 35 Equipment Installation	\$2,700,000	\$0	\$2,700,000	\$2,685,773
Well 34 Rehabilitation	\$475,000	\$0	\$475,000	\$464,997
Well 34/35 Intertie	\$1,100,000	\$0	\$1,100,000	\$1,100,000
19 th – 20 th Ave & Little Morongo Roadway Project	\$309,000	\$0	\$309,000	\$286,768
Muffin Monster 6-inch Inline Grinder	\$0	\$15,100	\$15,100	\$15,100
New Wachs ERV-750 Valve Machine	\$0	\$42,000	\$42,000	\$42,000

Description	Continuing Appropriations from FY 2023	Proposed for FY 2024	Final for FY 2024	Fund in FY 2024 Budget
2024 New Meters 3/4" – 2"	\$0	\$350,000	\$350,000	\$350,000
ERP System Replacements	\$0	\$1,710,000	\$1,710,000	\$1,710,000
Total	\$148,223,032	\$4,682,100	\$148,596,540	\$87,117,465



Capital Improvement Program Project Information

		<p align="center">Capital Improvement Project Information New Administrative Building</p>	
		<p align="center">VICINITY MAP</p> 	
<p align="center">LOCATION</p>		<p align="center">LIMITS OF PROJECT</p>	
<p>PROJECT TITLE: New Administrative Building</p>		<p>ESTIMATED SCHEDULE: DESIGN: To be completed by 12/2023 CONSTRUCTION: 3/2023 – 2/2025</p>	
<p>Job Number: 11621</p>		<p>FUNDING SOURCE: MSWD Funds, State Funds, Grant Funds</p>	
<p>PROJECT TYPE: Facility Improvements</p>		<p>PROJECT MANAGER: E. Weck</p>	
		<p>CIP ACCOUNT NO.: 101 General Fund</p>	
<p>PROJECT DESCRIPTION: Mission Springs Water District strives to provide the best quality water and wastewater service to its customers. Over the past several decades, Mission Springs Water District has grown and seeks to construct a new Administrative Building to allow the District to grow and continue to provide service to its customers.</p>			
<p>PROJECT BUDGET (FY 23/24): DESIGN: \$1,700,000 CONSTRUCTION: \$14,750,000 TOTAL: \$16,450,000</p>			

Capital Improvement Project Information

Regional Wastewater Treatment Facility

LOCATION

VICINITY MAP

LIMITS OF PROJECT

PROJECT TITLE:
Regional Wastewater Treatment Facility

Job Number: 11424

Project Type:
Wastewater Treatment Facility

ESTIMATED SCHEDULE:
 DESIGN: 7/2021
 CONSTRUCTION: 04/2022 – 12/2023


FUNDING SOURCES:
 MSWD Funds
 State Water Board Funds

PROJECT MANAGER:
 S. Ledbetter/E. Weck

CIP ACCOUNT NO.: 301 Sewer Fund

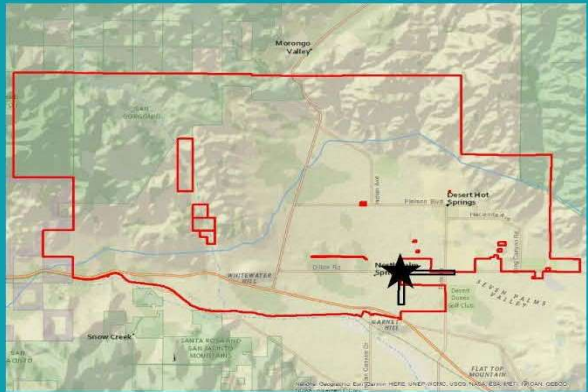
PROJECT DESCRIPTION: The project will construct a new 1.5 million gallon per day sequence batch reactor wastewater treatment plant. Project includes new operations and administration building that will house a solids processing area, chemical storage area, maintenance, electrical room, and blower room.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$18,200,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$1,800,000
 TOTAL: \$20,000,000




Capital Improvement Project Information

Conveyance Line Construction



LOCATION

VICINITY MAP




LIMITS OF PROJECT

<p>PROJECT TITLE: Conveyance Line Construction</p>	<p>ESTIMATED SCHEDULE: DESIGN: 06/2022 CONSTRUCTION: 2/2023 – 12/2023</p>
<p>Job Number: 11426</p>	<p>FUNDING SOURCE: MSWD Funds State Funds</p>
<p>PROJECT TYPE: Wastewater Construction</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p> <p>CIP ACCOUNT NO.: 301 Sewer Fund</p>

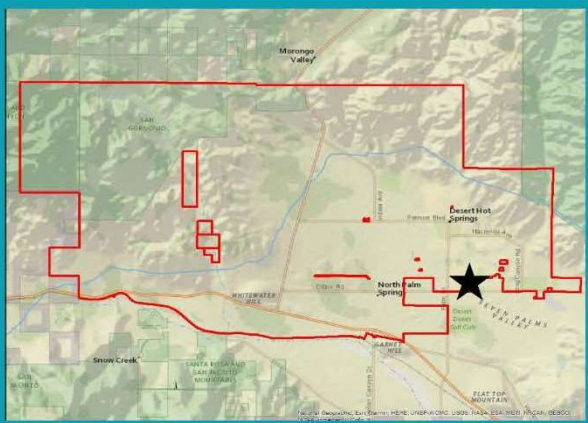
PROJECT DESCRIPTION: MSWD's new West Valley Conveyance Line is one of three concurrent projects that will provide wastewater flows to the District's new Regional Water Reclamation Facility. The West Valley Conveyance Line project includes a force main from the existing Dos Palmas Lift Station at Dillon Road and Avenida Manzana to Little Morongo Road and Dillon Road. From there, a gravity line will bring flows down to the new regional plant.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$6,700,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$550,000
 TOTAL: \$7,250,000




Capital Improvement Project Information

M-2, Septic to Sewer Construction



LOCATION

VICINITY MAP



LIMITS OF PROJECT

PROJECT TITLE:
M-2 Septic to Sewer Construction

Job Number: 11426

PROJECT TYPE:
Septic tank abatement / Assessment District

ESTIMATED SCHEDULE:
 DESIGN: 9/2022
 CONSTRUCTION: 12/2023 – 12/2024

FUNDING SOURCE:
 Assessment District 15 Proceeds
 State Grant Funds

PROJECT MANAGER:
 E. Weck/S. Ledbetter

CIP ACCOUNT NO.: 301 Sewer Fund

PROJECT DESCRIPTION: The Area M-2 Sewer Collection System will connect 695 parcels to the MSWD sewer systems and abate 405 on-site septic disposal systems. The Area M-2 Sewer Collection System is one of the three projects that comprise the Regional Water Reclamation Facility Project.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$9,800,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$1,000,000
 TOTAL: \$10,800,000

Capital Improvement Project Information

Horton Wastewater Treatment Plant Upgrade – Tertiary Filtration

LOCATION


VICINITY MAP

LIMITS OF PROJECT

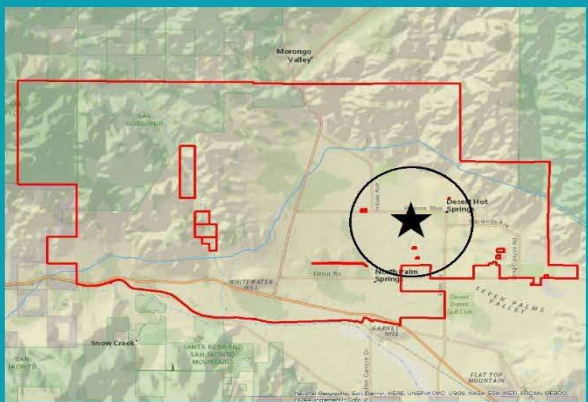
<p>PROJECT TITLE: HWWTP Upgrade – Filtration</p>	<p>ESTIMATED SCHEDULE: DESIGN: 3/2022 CONSTRUCTION: On hold-pending grant funding</p>
<p>Job Number: 11689</p>	<p>FUNDING SOURCE: MSWD Funds</p>
<p>PROJECT TYPE: Horton Wastewater Facility Improvements</p>	<p>PROJECT MANAGER: E. Weck/S. Ledbetter</p>
	<p>CIP ACCOUNT NO.: 301 Sewer Fund</p>

PROJECT DESCRIPTION: The Horton Wastewater Treatment Plant has experienced problems with poor infiltration rates in the percolation ponds due to the high concentration of suspended solids in the secondary effluent. The new WWTP Tertiary Effluent Filters will increase the pond efficiency as a reduction of the suspended solids concentration in the secondary effluent.

PROJECT BUDGET (FY23/24):
 CONSTRUCTION: \$1,260,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$140,000
 TOTAL: \$1,400,000

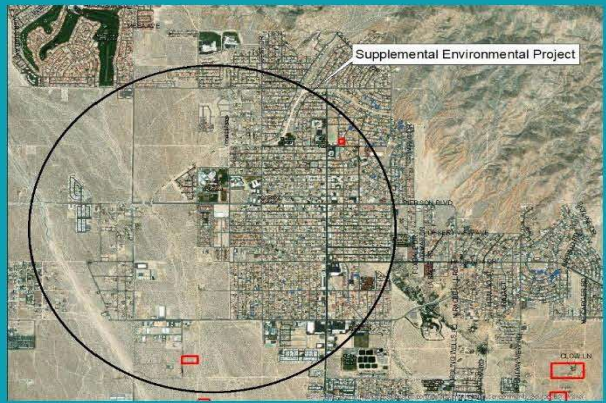


Capital Improvement Project Information
Supplemental Environmental Project



LOCATION

VICINITY MAP



LIMITS OF PROJECT

PROJECT TITLE:
Supplemental Environmental Project

Job Number: 11732

PROJECT TYPE:
Septic to Sewer Conversion

ESTIMATED SCHEDULE:
DESIGN: 05/2023
CONSTRUCTION: 8/2023 – 11/2023

FUNDING SOURCE:
MSWD Funds

PROJECT MANAGER:
E. Weck

CIP ACCOUNT NO.: 301 Sewer Fund

PROJECT DESCRIPTION: Pursuant to a settlement of an enforcement action with the Colorado River Basin Water Board, MSWD is to conduct a septic to sewer conversion program, abandoning septic systems located on private property and enhancing groundwater quality protection by removing known point sources of groundwater degradation in high-density economically disadvantaged areas. Staff estimates that 21 properties can be benefited by this project.

PROJECT BUDGET (FY 23/24): \$300,000
 CONSTRUCTION: \$290,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$10,000
 TOTAL: \$300,000

Capital Improvement Project Information

Well 22 Rehabilitation

LOCATION


VICINITY MAP

LIMITS OF PROJECT

<p>PROJECT TITLE: Well 22 Rehabilitation</p>	<p>ESTIMATED SCHEDULE: DESIGN: 06/2023 CONSTRUCTION: 12/2023 – 03/2024</p>
<p>Job Number: 11611</p>	<p>FUNDING SOURCE: MSWD Funds</p>
<p>PROJECT TYPE: Reservoir Rehabilitation/Upgrade</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>
	<p>CIP ACCOUNT NO.: 201 Water Fund</p>


PROJECT DESCRIPTION: Well 22 needs maintenance and rehabilitation. Well improvements include downhole rehabilitation and chemical treatment, new discharge piping and outlet systems, electrical panels, and new pump improvements.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$1,230,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$100,000
 TOTAL: \$1,330,000




Capital Improvement Project Information

Well 34 Rehabilitation



LOCATION

VICINITY MAP



LIMITS OF PROJECT

<p>PROJECT TITLE: Well 34 Rehabilitation</p>	<p>ESTIMATED SCHEDULE: DESIGN: 6/2023 CONSTRUCTION: 09/2023-1/2024</p>
<p>Job Number: 11742</p>	<p>FUNDING SOURCE: Developer Funded</p>
<p>PROJECT TYPE: Well Rehabilitation/Upgrade</p>	<p>PROJECT MANAGER: E. Weck</p>
	<p>CIP ACCOUNT NO.: 201 Water Funds</p>

PROJECT DESCRIPTION: Rehabilitation of Well 34 will include chemical treatment, brushing, and bailing of casing pipe; and other necessary enhancements.

PROJECT BUDGET (FY 23/24):
 DESIGN: \$25,000
 CONSTRUCTION: \$440,000
 TOTAL: \$465,000

Capital Improvement Project Information

Well 35 Equipment Installation

LOCATION

VICINITY MAP

LIMITS OF PROJECT

<p>PROJECT TITLE: Well 35 Equipment Installation</p>	<p>ESTIMATED SCHEDULE: DESIGN: 9/2022 – 7/2023 CONSTRUCTION: 1/2024 – 9/2024</p>
<p>Job Number: 11741</p>	<p>FUNDING SOURCE: Developer provided deposit</p>
<p>PROJECT TYPE: Well Rehabilitation/Upgrade</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>
	<p>CIP ACCOUNT NO.: 201 Water Fund</p>

PROJECT DESCRIPTION: Well 35 was drilled as part of the original development of Skyborne. This project will provide the pump, motor, shelter, and all necessary electrical equipment to bring Well 35 into operation.


PROJECT BUDGET (FY 23/24):
 DESIGN: \$100,000
 CONSTRUCTION: \$2,600,000
 TOTAL: \$2,700,000

DRAFT - MSWD FY 2023-24 Operating and Capital Budget

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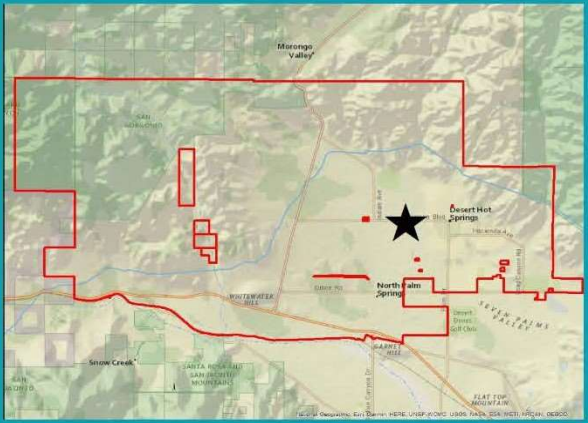
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		<p align="right">Capital Improvement Project Information Well 34/35 Intertie</p>	
<p align="center">LOCATION</p>		<p align="center">VICINITY MAP</p>	
<p>PROJECT TITLE: Well 34/35 Intertie</p>		<p>LIMITS OF PROJECT</p>	
<p>Job Number: 11743</p>		<p>ESTIMATED SCHEDULE: DESIGN: 7/2023 CONSTRUCTION: 9/2023 – 1/2024</p>	
<p>PROJECT TYPE: Well Rehabilitation/Upgrade</p>		<p>FUNDING SOURCE: Developer Funded</p>	
		<p>PROJECT MANAGER: E. Weck</p>	
		<p>CIP ACCOUNT NO.: 201 Water Fund</p>	
<p>PROJECT DESCRIPTION: 18-inch water main along Karen Avenue connecting Well 34 and Well 35.</p>			
<p>PROJECT BUDGET (FY 23/24): DESIGN: \$100,000 CONSTRUCTION: \$1,000,000 TOTAL: \$1,100,000</p>			




Capital Improvement Project Information

Well 42 Construction



LOCATION

VICINITY MAP



LIMITS OF PROJECT

<p>PROJECT TITLE: Well 42 Construction</p>	<p>ESTIMATED SCHEDULE: DESIGN: 9/2020 CONSTRUCTION: 1/2021 – 1/2024</p>
<p>Job Number: 11147</p>	<p>FUNDING SOURCE: MSWD Funds</p>
<p>PROJECT TYPE: Well Construction</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>
	<p>CIP ACCOUNT NO.: 201 Water Fund</p>

PROJECT DESCRIPTION: Currently, under construction, the well will provide an additional water source for MSWD's 1240 and 1400 pressure zones.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$1,990,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$200,000
 TOTAL: \$2,190,000

Capital Improvement Project Information

Emergency Generator Backup – Various Well Locations

LOCATION


VICINITY MAP

LIMITS OF PROJECT

<p>PROJECT TITLE: Emergency Generator Backup – Wells</p>	<p>ESTIMATED SCHEDULE: DESIGN: 7/2023 CONSTRUCTION: 10/2023 – 5/2024</p>
<p>Job Numbers: 11666, 11667, 11668</p>	<p>FUNDING SOURCE: MSWD Funds State Funds</p>
<p>PROJECT TYPE: Emergency Preparedness</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>
<p>CIP ACCOUNT NO.: 201 Water Fund</p>	

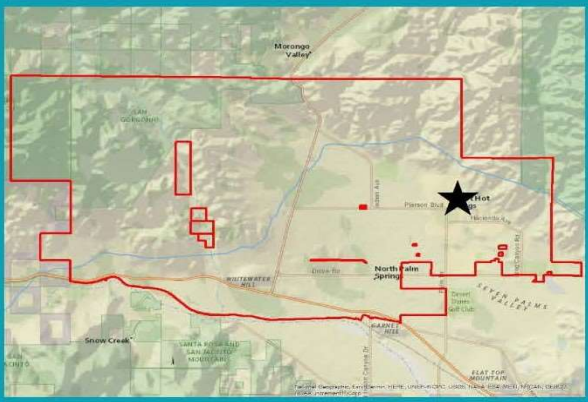
PROJECT DESCRIPTION: As part of MSWD’s emergency response plan, this project will add fixed base generators with automatic transfer switches at four well sites. Currently, in the design process, the generators will minimize water delivery impacts to our customers in the event of a power outage or Public Safety Power Shutoff by Southern California Edison. Wells 27, 31, 32 and 37 will benefit from this project.

PROJECT BUDGET (FY 23/24):
DESIGN: \$96,000
CONSTRUCTION: \$867,000
TOTAL: \$963,000




Capital Improvement Project Information

Terrace Reservoir 1



LOCATION

VICINITY MAP



LIMITS OF PROJECT

PROJECT TITLE:
Terrace Reservoir 1

Job Number: 11607

PROJECT TYPE:
Reservoir Tank Rehabilitation

ESTIMATED SCHEDULE:
DESIGN: 3/2021
CONSTRUCTION: On hold-additional funding needed


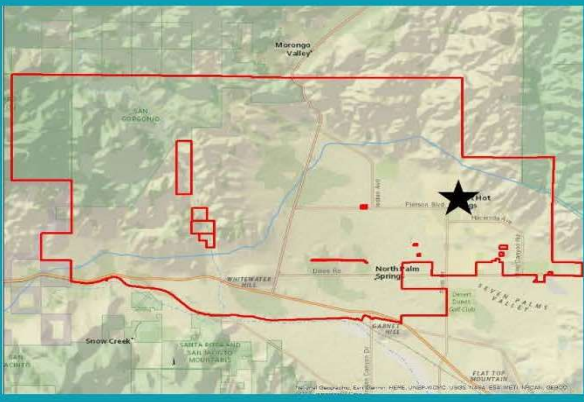
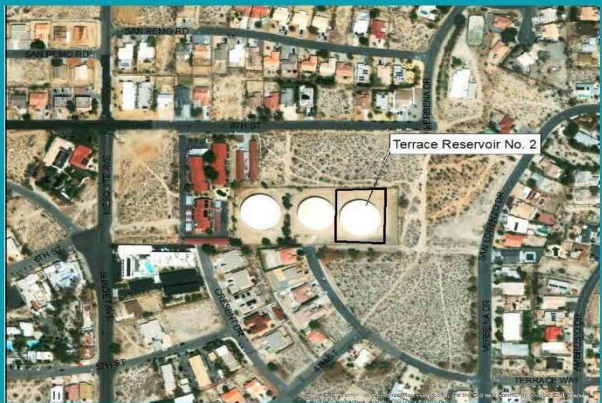
FUNDING SOURCE:
MSWD Funds


PROJECT MANAGER:
E. Weck / S. Ledbetter

CIP ACCOUNT NO. 201 Water Fund

PROJECT DESCRIPTION: District staff has identified required rehabilitation and maintenance of the Terrace Reservoirs site to enhance safety and operations and maintenance activities of the three existing reservoirs.

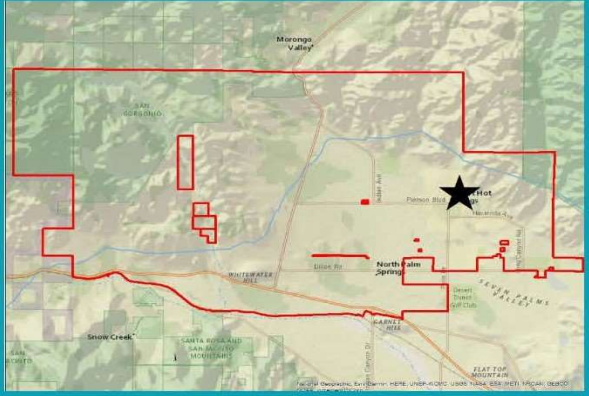
PROJECT BUDGET (FY 23/24):
CONSTRUCTION: \$620,000
INSPECTION/CONSTRUCTION ENGINEERING: \$100,000
TOTAL: \$720,000

		<p align="right">Capital Improvement Project Information Terrace Reservoir 2</p>	
		<p align="center">VICINITY MAP</p> 	
<p align="center">LOCATION</p>		<p align="center">LIMITS OF PROJECT</p>	
<p>PROJECT TITLE: Terrace Reservoir 2</p>		<p>ESTIMATED SCHEDULE: DESIGN: 3/2021 CONSTRUCTION: On hold-additional funding needed</p>	
<p>Job Number: 11608</p>		<p>FUNDING SOURCE: MSWD Funds</p>	
<p>PROJECT TYPE: Reservoir Tank Rehabilitation</p>		<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>	
		<p>CIP ACCOUNT NO. 201 Water Fund</p>	
<p>PROJECT DESCRIPTION: District staff has identified required rehabilitation and maintenance of the Terrace Reservoirs site to enhance safety and operations and maintenance activities of the three existing reservoirs.</p>			
<p>PROJECT BUDGET (FY 23/24): CONSTRUCTION: \$625,000 INSPECTION/CONSTRUCTION ENGINEERING: \$144,000 TOTAL: \$769,000</p>			




Capital Improvement Project Information

Terrace Reservoir 3



LOCATION

VICINITY MAP



LIMITS OF PROJECT

<p>PROJECT TITLE: Terrace Reservoir 3</p>	<p>ESTIMATED SCHEDULE: DESIGN: 3/2021 CONSTRUCTION: On hold-additional funding needed</p>
<p>Job Number: 11609</p>	<p>FUNDING SOURCE: MSWD Funds</p>
<p>PROJECT TYPE: Reservoir Tank Rehabilitation</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p> <p>CIP ACCOUNT NO. 201 Water Fund</p>


PROJECT DESCRIPTION: District staff has identified required rehabilitation and maintenance of the Terrace Reservoirs site to enhance safety and operations and maintenance activities of the three existing reservoirs.

PROJECT BUDGET (FY 23/24):
 CONSTRUCTION: \$264,000
 INSPECTION/CONSTRUCTION ENGINEERING: \$66,000
 TOTAL: \$330,000

DRAFT - MSWD FY 2023-24 Operating and Capital Budget

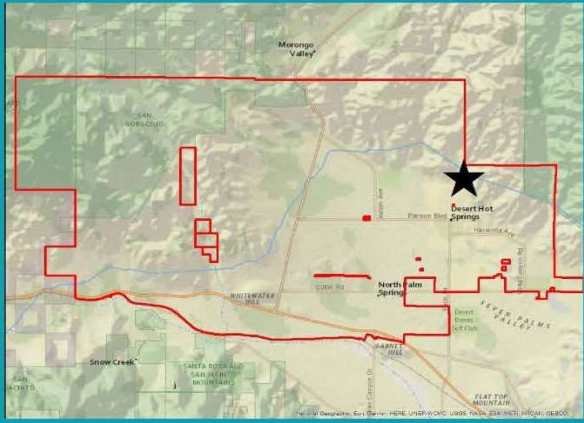
63

70




Capital Improvement Project Information

Vista Reservoir Rehabilitation



LOCATION

VICINITY MAP


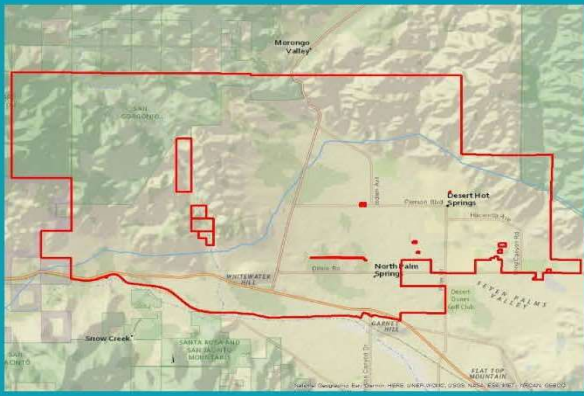


LIMITS OF PROJECT

<p>PROJECT TITLE: Vista Reservoir Rehabilitation</p>	<p>ESTIMATED SCHEDULE: DESIGN: 5/2021 CONSTRUCTION: 1/2024 – 6/2024</p>
<p>Job Number: 11610</p>	<p>FUNDING SOURCE: MSWD Funds</p>
<p>PROJECT TYPE: Reservoir Rehabilitation/Upgrade</p>	<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>
	<p>CIP ACCOUNT NO. 201 Water Fund</p>

PROJECT DESCRIPTION: Rehabilitation of existing 300,000 gallon reservoir.

PROJECT BUDGET (FY 23/24):
 DESIGN: \$170,000
 CONSTRUCTION: \$679,000
 TOTAL: \$849,000

		<p>Capital Improvement Project Information Water Master Plan and Sewer Master Plan</p>	
		<p>VICINITY MAP</p> <p style="font-size: 2em; font-weight: bold;">DISTRICT WIDE</p>	
<p>LOCATION</p>		<p>LIMITS OF PROJECT</p>	
<p>PROJECT TITLE: Water Master Plan and Sewer Master Plan</p>		<p>ESTIMATED SCHEDULE: PLAN PREPARATION: 7/2024</p>	
<p>Job Number: 11347 (Water Master Plan), 11348 (Sewer Master Plan)</p>		<p>FUNDING SOURCE: MSWD Funds</p>	
<p>PROJECT TYPE: District Planning</p>		<p>PROJECT MANAGER: E. Weck / S. Ledbetter</p>	
		<p>CIP ACCOUNT NO.: 201 Water Fund, 301 Sewer Fund</p>	
<p>PROJECT DESCRIPTION: MSWD’s Water and Wastewater Master Plans are essential tools in identifying current and future system improvements. They allow the District to plan for and meet the ever-changing/growing water and wastewater needs within our service area. The current plans were completed 2005 and 2007, and since that time several projects identified in them have been implemented. This combined with regulatory changes and new District produces that govern how we store, manage, and treat water, dictate that a comprehensive update is necessary.</p>			
<p>PROJECT BUDGET (FY 23/24): Cost: \$525,800</p>			

STRATEGIC PERFORMANCE AND ACCOMPLISHMENTS

Mission Statement, Vision, and Core Values

In 2014, MSWD initiated a formal strategic planning effort by developing a Mission Statement, an accompanying Vision Statement, and a set of Core Values for the District.

Mission Statement

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

Vision for Mission Springs Water District

MSWD is a leader and innovator in the water industry.

MSWD employees are highly qualified, innovative, and continuously functioning at the highest levels of teamwork and performance excellence.

MSWD maintains a culture of responsibility while providing the highest levels of customer service.

MSWD has the foresight to anticipate the future and is adaptable and resilient to overcome any challenge it faces.

The Seven Core Values of Mission Springs Water District

Values are the pillars upon which an organizational culture is built. Values must be intrinsic to the individuals who make up the organization. Values must surpass “concepts” and translate into guiding convictions that are embraced first by leadership then passed through to every level of the organization by example. We live by the values of:

Professionalism: MSWD employees conduct themselves with professionalism. Professionalism describes the standards of conduct, performance, knowledge and skill necessary to perform our specific role within the organization.

Accountability: MSWD employees take ownership of our decisions and accept responsibility for our actions. We are accountable to the public we serve.

Respect: We respect all people on the basis of their human worth. In order to earn respect we must first give respect.

Integrity: MSWD employees operate with the highest degree of integrity. We are honest and hold ourselves to consistent moral principles and ethical standards.

Servant Attitude: MSWD employees consider the other person as more important than one’s self. This Servant Attitude considers the impacts of our actions on others and the organization before self.

Excellence: MSWD employees strive for excellence and are conscious of our performance at all times. We are committed to continuous learning and innovation ensuring that our services exceed expectations.

Stewardship: Stewardship embodies the ethical behavior of accepting responsibility and management of a resource – water. We operate the District as a public trust as stewards of this precious resource.



Strategic Plan

As a result of the 2014 strategic planning effort, MSWD has developed a Strategic Plan that will serve as a guidance document for the District over a five-year period (2017-2022). The 2017 Strategic Plan is intended to achieve several objectives, including to: clearly define the purpose of the organization, create a roadmap for aligning activities and resources to achieve an agreed upon purpose, build consensus within the organization through enhanced communication, and allow the agency to convey long-range plans to its customers, stakeholders, elected officials, and other constituents.

There were five-steps in the development of MSWD’s 2017 Strategic Plan.

1. Data collection and review.

2. Workshop. The Board of Directors and Strategic Planning team conducted a workshop to review the Mission Statement, Vision Statement, and Core Values for the District. At the workshop, the group conducted an influence modeling exercise to identify agencies and stakeholders that could impact the development of the Strategic Plan or could be impacted by the development of the Strategic Plan. After careful consideration the Board of Directors approved 5 Strategic Goals and each goal is defined to reflect the future state of the District.

3. New Objective and Goals. Staff review the approved 5 Strategic Goals and establish levels of service and clarify future roles.

4. Analysis. Staff conducts a Strength, Weakness, Opportunities, and Threats (SWOT) Analysis and Gap Analysis for each of the five Strategic Goals. Identify projects and programs in support of achieving the 5 Strategic Goals.

5. Prepare Strategic Plan. Prepare a final Strategic Plan document with an action plan. Prioritize projects and programs in support of achieving the 5 Strategic Goals. For planning purposes, projects and programs were ranked with the following priorities:

- Priority A – Projects or programs that need to be initiated or completed in the first 1-2 years
- Priority B – Projects or programs that need to be initiated or completed within 2-5 years
- Priority C – Projects or programs that extend beyond 5 years

MSWD has made significant progress implementing projects and programs in support of achieving the objectives of the Strategic Goals.





Strategic Goal 1 – Water Supply

MSWD meets the current and future water supply needs of its customer base. Implementation of this goal will include strategies and programs designed to develop new water resources and conserve existing resources.

No.	Priority	Project Description	Department Assigned
1	A	Develop an integrated water supply plan to identify and evaluate alternatives to diversifying the District’s existing water supply and decrease reliance on imported water. The plan should include a financial impact analysis and delivery options.	Administration
2	A	Conduct a feasibility study and cost analysis providing additional treatment options for imported water supplies from the Colorado River to alleviate future concerns with increased levels of Total Dissolved Solids (TDS).	Engineering
3	A	Coordinate with the Coachella Valley Water District and Desert Water Agency on an evaluation to enhance existing hydrologic studies of the groundwater basins the District relies on for current and future production. The evaluation will consider issues such as aquifer storage potential, groundwater quality, and the location of geologic faults, storage capability and groundwater movement. Approval of the evaluation study is contingent on completion of the SGMA process.	Administration Engineering
4	A	Evaluate opportunities with the Agua Caliente Indian Reservation to access groundwater within the Indio and San Gorgonio Pass Subbasins.	Administration
5	A	Initiate discussions with the Desert Water Agency and other wholesale and retail water providers, as well as private parties of interest to formulate a regional groundwater management structure and strategy. Options include: formulation of a joint powers agency, adjudication, or other management/political body. Identify strategies and agreements for imported water, production rights, enhancing groundwater quality, and fees and budget administration.	Administration
6	B	Modify existing water distribution system to incorporate production of groundwater from the Indio and San Gorgonio Pass Subbasins directly into the District’s system.	Engineering
7	B	Review and update the District’s Urban Water Management Plan to include additional analysis of multiple dry-year drought conditions.	Engineering Conservation

8	C	Evaluate opportunities for expanded use of recycled water including direct reuse and recharge into existing aquifers.	Engineering
9	A	Participate on negotiations for final determination of the Ground Sustainability Agency for subbasins within the District’s service area, which include the San Gorgonio Pass Subbasin, the Mission Creek Subbasin, the Indio Subbasin, and the Desert Hot Springs Subbasin.	Administration



Strategic Goal 2 – Infrastructure

MSWD provides continuous investment in its infrastructure systems to ensure the treatment and distribution of existing and future water and wastewater supplies as well as maintaining and improving its facilities and operational support systems.

No.	Priority	Project Description	Department Assigned
1	A	Conduct project design and construction to expand wastewater treatment capacity at the MSWD Regional Wastewater Treatment Plant by 1.5 million gallons per day (MGD).	Engineering
2	A	Update existing water and wastewater master plans.	Engineering
3	A	Conduct an analysis of staffing and workload allocation for infrastructure and maintenance operations to determine staffing needs based on industry standards. Identify opportunities for privatization of specific routine maintenance functions to augment staffing levels.	Engineering Operations
4	A	Identify and record easements for water and sewer utility purposes in those areas where they are currently missing.	Engineering
5	A	Develop a Technology Plan that incorporates all aspects of the District's internal and external technology including field operational technology.	Administration Operations
6	A	Conduct a financial and operational analysis of the impact of future residential and commercial development based on the Cities of Desert Hot Springs' and Palm Springs' General Plan.	Finance Engineering
7	A	Conduct an evaluation of alternative energy opportunities including cost and feasibility for each alternative.	Engineering
8	A	Conduct an evaluation and cost analysis for renovation of the current administration and annex facilities. The evaluation should include space planning and opportunities for internal growth, public access and accessibility, ADA compliance, office ergonomics, and furniture.	Finance Engineering Administration
9	A/B	(A) Expand utilization of the current Geographic Information System for operational and facility use. (B) The system can be expanded to also include a customer database utilized by the Customer Service Department.	Engineering Customer Service
10	B	Conduct an analysis of the infrastructure needs and financial cost impacts to operate and maintain the Improvement District and develop a separate water rate structure for this area.	Engineering Finance

STRATEGIC PERFORMANCE AND ACCOMPLISHMENTS 2024

11	B	Conduct analysis of available capacity within the current water system with future water demand projections to forecast time of demand need. Incorporate results in UWMP updates and Water Master Plan update.	Engineering
12	C	Evaluate options for relocation of existing water infrastructure within inaccessible areas of the District for ease of maintenance.	Engineering Operations
13	C	Pipeline replacement project for all galvanized piping within the water distribution system. Incorporate project in Master Plan update.	Engineering Operations
14	C	Evaluate vendor options for automating the inventory management system for purchasing, receiving, and warehouse operations. Develop cost estimates for future capital budget allocation.	Finance



Strategic Goal 3 – Financial Management

MSWD practices stewardship of its financial resources in a responsible manner to ensure the current and future reliability of its operations.

No.	Priority	Project Description	Department Assigned
1	A	Convert the manual check signature process to an 'electronic' signature format including approval criteria established by the Board of Directors.	Administration Finance
2	A	Automate the employee payroll structure and eliminate the manual entry of time and project numbers.	Finance Administration Human Resources
3	A	Conduct a review of the employee performance evaluation process and the number of individual pay-range step increases allocated to employees based on employee tenure and the correlation to the evaluation process. Options include reducing the number of steps or establishing a median pay scale for each job classification.	Finance Accounting
4	A	Update current accounting software interface.	Finance Accounting
5	A	Modify the vendor contract and material procurement and approval process to include authorization at the executive staff level (Director of Finance and Administration and Director of Engineering and Operations).	Finance Administration
6	A	Conduct a customer experience and needs assessment to gauge customer interaction and service level experience.	Finance Customer Service
7	A	Modify the budget document preparation process to include additional financial detail designed to increase customer confidence and knowledge of the District's financial management practices.	Finance
8	A	Develop and implement a customer education program designed to educate customers on water and sewer rates, capital spending requirements, and budgeting.	Finance Public Relations Customer Service
9	B	Implement changes to budget and revenue management to fully fund the reserve policy by 2020.	Administration Finance
10	B	Develop an asset management and replacement component of the Financial Master Plan.	Finance Accounting

Strategic Goal 4 – Public and Political Outreach

Develop opportunities to positively influence outcomes favorable to MSWD. Developing strategic alliances and partnerships as well as fostering better relationships with other political entities and members of the public accomplish this goal.

No.	Priority	Project Description	Department Assigned
1	A	Develop a comprehensive public relations strategy and master plan of activities and programs. Components of the plan shall include the overall goal of the program, staffing and resource needs, budget requirements and role and responsibility of the Board of Directors and staff for implementation.	Administration Public Relations
2	A	Develop a crisis communication protocol for use in natural disasters, emergencies, and interruptions in water supply. The protocol should include the role of the District’s Emergency Operations Center (EOC) and the role of the Board of Directors and staff in communicating with the public, the media, and other elected officials.	Administration Public Relations Engineering Operations
3	A	Develop a staff engagement and training program to fully integrate the District’s Mission, Vision, and Values throughout the organization. Employees as ambassadors of the organization are the program objectives.	Administration Public Relations
4	A	Update the District website.	Administration Public Relations
5	A	Develop a Board Handbook or Guidelines. Components to consider include: role, relationship, and responsibility of the Board of Directors and staff, standards of performance, and expectations of public office.	Administration
6	A	Communicate the goals and objectives of the 2017 Strategic Plan to all District employees. Provide updates on progress at least semi-annually.	Administration Finance Engineering Public Relations
7	A	Develop a strategy to position the Board of Directors as regional water leaders including elevating their public and professional profiles within the region. The Board of Directors is a resource for the District and the water industry.	Administration Public Relations



Strategic Goal 5 – Organizational Development

MSWD is committed to hiring, training, and retaining the highest quality employees while providing them with the tools and organizational structure to grow in their personal and professional development.

No.	Priority	Project Description	Department Assigned
1	A	Modify the employee performance evaluation process to incorporate employee input into performance measures and alignment with the District’s core values.	Human Resources Administration Finance Engineering
2	A	Develop an organization-wide succession plan allowing employees the opportunity for professional growth, cross-training, and preparation for succession and temporary assignments to maintain continuity and operational effectiveness.	Human Resources Finance Engineering Operations
3	A	Enhance and strengthen the existing organizational culture through promotion of District vision and core values. Develop individual employee development plans to promote personal and professional growth.	Administration Human Resources Engineering Operations Finance
4	A	Develop a comprehensive employee development and training program that is initiated during the on-boarding process when first hired and continues throughout employment with the District. Create an individual professional growth program for each District employee. Department supervisors and managers will monitor the program.	Human Resources Finance Engineering Operations Administration
5	A	Develop a comprehensive supervisor development and training program for existing managers and supervisors as well as employees aspiring to supervisory positions. The program will provide education and skill development in the following areas: conducting an employee performance evaluation, agency policies and procedures, expectations of leadership, administration of the employee discipline and development process, and developing individual employee improvement plans.	Human Resources Finance Engineering Operations Administration
6	A	Develop a program and role for the Board of Directors in supporting and enhancing the development of a professional staff. Program to include the allocation of resources for an employee recognition program in coordination with performance metrics and the District’s core values.	Administration Human Resources

Annual Performance

The District monitors annual performance using eight performance measures. These performance measures include number of miles of sanitary sewer cleaned, number of segments of sanitary sewer recorded using a closed circuit television camera, number of fire hydrants flushed, number of blow-offs flushed, number of air/vacuum valves inspected, number of water system valves exercised, number of service lines replaced, and number of new service lines installed as. Results of the annual performance for each performance measure over the last five years are shown in the table below.

Activity	2019	2020	2021	2022	2023	Total
Sanitary Sewer Cleaned (feet)	27,378	50,694	169,582	357,174	221,866	826,694
Sanitary Sewer CCTV'd (feet)	2,533	18,496	33,729	22,279	88,704	165,741
Fire Hydrants Flushed	537	626	417	619	780	2,979
Blow-Offs Flushed	297	258	290	284	286	1,415
Air/Vacuum Valves Inspected	173	167	189	4	189	722
Water System Valves Exercised	2,723	1,135	1,681	1,390	2,143	9,072
Service Lines Replaced	188	133	84	142	116	663
New Service Lines Installed	73	92	150	195	164	674



Annual Accomplishments by Division

Administration

Strategic Goal 5 – Organizational Development

During the last fiscal year, the Administration Department has successfully implemented the following programs and projects in support of the District's Strategic Goal 5 – Organizational Development.

Class and Compensation Study

Staff has completed a Class and Compensation Study and implemented the recommended results of the study to enhance and strengthen the organization, improve succession planning, and promote personal and professional growth.

Finance

Customer Service

Strategic Goal 3 – Financial Management

During the last fiscal year, the Customer Service Department has successfully implemented the following programs and projects in support of the District's Strategic Goal 3 – Financial Management.

Integrated a new payment system reducing District cost by at least \$50,000 to \$60,000 annually. This integration will continue through August 2023 with changes and updates made through November 2023.

Continued to utilize the new Neptune 360 program to catch leaks, high bills, and water waste by monitoring usage and reaching out to the properties resulting in a consistent decline in high bill service calls.

Continued to utilize and promote the new Water Smart Customer portal that launched in May 2022 to assist customers in monitoring their water use, leak alerts, bill pay, and more, resulting in a 43% adoption rate, or 5,948 customers, signed up so far.

Continued to focus on team development and education within the Customer Service department. Achievements this year from Field Customer Service (while under Customer Service) include an employee that received a Water Distribution Grade 2 Certification a, and a Backflow Testers Certification.

After a long closure of the District offices to the public due to the COVID pandemic, we were happy to reopen the lobby to the public in October 2022.

Launched a new online calendar appointment booking program for customers to book one-on-one assistance from the Customer Service representatives. Customers can receive assistance

with English and Spanish-speaking associates and get help with new accounts, property taxes and/or liens, account review, and more.

The Customer Service Department continues to work with various programs for customer bill assistance such as United Lift and United Way, stayed on top of new program development from state funding, and enrolled in the new LIHWAP program resulting in the following:

- The United Way – Customer Bill Assistance Program continues to be utilized by customers, assisting 79 accounts since July 1, 2022
- United Lift – Has assisted customers by paying \$8,058.96 on customer accounts since July 1, 2022. This program is currently out of funding.
- LIHWAP Care Program (Riverside County Program) – Launched in June 2022, this program has assisted in paying \$75,521.45 to customer accounts by providing customers a one-time payment towards their water and/or sewer bill up to \$2,000. The Federal funding of this program will only run through August 2023. The State will continue to fund the program starting in September 2023, including non-arrearage payments for customers that meet the guidelines for \$200 - \$371 as a one-time payment.

Total bill assistance to customers since July 1, 2022, to present totals \$91,480.41.

On May 22, 2023, and June 8, 2023, MSWD hosted Utility Assistance Clinics for the first time for District customers to receive help applying for utility assistance in person. Approximately 100 people attended during the 3-hour events and they had the opportunity to meet with representatives from Food Now, LIHWAP (CAPCares), and United Way of the Desert. District staff were also on hand to provide account and bill information to the agencies on behalf of the customers.

Engineering and Water Resources

Engineering

Strategic Goal 2 – Infrastructure

During the last fiscal year, the Engineering Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 2 – Infrastructure.

Water and Wastewater System Comprehensive Master Plan Update

Staff continued to work with consultant, Michael Baker International (MBI), to prepare an updated model for the water and sewer system. MBI conducted field calibration testing on the water and wastewater systems. With calibrated models, MBI and staff can verify current and future infrastructure needs. MBI was to have the Master Plans completed prior to the FY 2023-24 budget process, however, the project was delayed, but has since been restarted. Staff is working with MBI on finalizing the Water and Sewer Model. Staff asked for a recovery schedule prior to authorizing future work.



Well 42 Project

Construction has been on-hold for most of FY 2022-23 due to revisions to the well pumping and electrical equipment. The Contractor has been unable to provide submittals for these two key pieces of equipment to MSWD for approval. Of note, the Contractor is being delayed by the manufacturers who prepare the equipment submittals. Construction will likely be on-hold into the fourth quarter of 2023 while the equipment submittals are processed and the equipment is ordered, fabricated, and delivered to the site for construction and installation.

Well 22 Rehabilitation

The design consultant, TKE Engineering, completed the final design package. The rehabilitation of Well 22 is expected to begin in the summer of 2023.

Backup Generators for Well Sites 27-31, 32 and 37 Projects

Engineering and Production staff have been reviewing the most beneficial locations for fixed and portable generator locations prior to advertising for the project. This project was designed in FY 2022-23 with the installation of generators to start in the third quarter of 2023.

AD-18 – GQPP Sewer Project Areas “H” & “I”

Staff and the consultant, TKE Engineering, continued coordination with one property owner regarding a required pipeline/utility easement. MSWD provided the proposed sewer easement to the property owner for approval. Staff expects approval of the revised alignment in 2023 and proceeding with appraisal, formal easement documents, and acquisition. Staff placed the final design on hold until the easement is finalized as it will impact the final design.

AD-18 – GQPP Sewer Project Areas “A” & “G”

The design consultant, Genterra, completed the geotechnical explorations, surveying, and preliminary design report. Staff completed review comment of the preliminary design report. The design consultant completed the 60% construction plans and specifications and staff completed review and comment. The design consultant continued progress on the 90% construction plans and specifications.

Horton Odor Control Project

The construction and performance testing was completed by the consultant, Integrity. The Notice of Completion was approved by the Board at the November 2023 meeting.

Horton Effluent Filtration System

The design consultant, TKE Engineering, completed the 100% design submittal, including the added shade structure, wind break, and maintenance scaffolding system. Staff has put construction on-hold until additional grant funding is secured.

Horton Wastewater Treatment Facility – North Building Improvement Project

Remodeling work on the North Building is complete. The building has been re-roofed, and the air conditioning/heating system has been installed. New showers and restroom improvements have been installed and are operational.

Supplemental Environmental Project – Septic to Sewer Conversion

Staff has prepared and secured environmental clearance as well as prepared project specifications and solicited bids for construction. Bids were recently received and found to be in excess to what was estimated for the construction phase of the project. Staff will present to the Board an agenda item to reject the received bids. Staff will adjust the project scope and solicit new construction bids.

Regional Water Reclamation Facility

The contractor, J.F. Shea Construction, continued the construction of the Regional Water Reclamation Facility. The contractor completed forming and pouring the Plant Drain Pump Station and SBR Tank walls and slabs, including all reinforcements, conduits, and construction joints. The contractor completed erecting the structural steel for the operations building, and continued progress installing the exterior panels, insulation, and interior conduits, cable trays and air ducting. The contractor continued progress on the electrical conduits, water lines, and sewer lines for the administration building. The contractor continued progress forming and pouring the Influent Pump Stations and Headworks walls, channels, and slab.

Staff continued contacting property owners to acquire right-of-way along 20th Avenue to construct the third required monitoring well.

Regional Water Reclamation Facility Conveyance Line

The Coachella Valley Conservation Commission (CVCC) has notified staff that the U.S. Fish and Wildlife Department and the California Fish and Wildlife Services have approved the required easement area. Staff continued to coordinate with CVCC on the final grant deed for an easement along Little Morongo Road.

The consultant, TKE Engineering, continued to coordinate with SCE to acquire an easement along a portion of the Little Morongo Road alignment.

The contractor, Downing Construction, has mobilized on-site, established their construction yard, and began receiving pipeline materials for construction. The contractor continued working on obtaining their encroachment permit with the City of Desert Hot Springs to begin potholing and construction.

Area M2 Sewer Collection System (AD-15)

Staff completed plan check of the draft design package and returned it to the design consultant, AECOM. The Project Team is working with the design consultant to incorporate water service replacements throughout the project area.

RWRF Roadway Design (19th Avenue, Little Morongo Road, and 20th Avenue)

The design consultant, TKE Engineering, completed the roadway geometric design. The geometric design will be submitted to the City of Desert Hot Springs for approval.

Water Resources**Strategic Goal 1 – Water Supply**

During the last fiscal year, the Water Resources Department has successfully implemented the following programs, projects, and events in support of the District's Strategic Goal 1 – Water Supply.

Coachella Valley Regional Water Management Group

The Coachella Valley Regional Water Management Group (CVRWWMG) implements the Integrated Regional Water Management (IRWM) Plan in the Coachella Valley IRWM Region of the Colorado River Funding Area.

Due to a wet winter, the CVRWWMG agencies have allowed the Water Supply Contingency Plan – Stage 2 to sunset in June 2023.

The CVRWWMG secured \$1.8 million in grant funding under the Urban and Multi-Benefit Drought Relief Grant Program – Under Represented Communities and Tribal Set Aside. MSWD was awarded \$338,787 in grant funding for the Well 22 Rehabilitation Project and \$153,000 in grant funding for turf rebates and water conservation under the CV Water Counts Conservation Program. The CVRWWMG also secured \$6.3 million in grant funding under the Urban Community Drought Relief Program, and MSWD was awarded \$244,000 for conservation projects.

The CVRWWMG received \$4.125 million in grant funding under the Proposition 1, Round 2, IRWM Implementation Grant Program. Of that total grant funding, MSWD will receive \$875,000 for the Area D-3 Septic to Sewer Conversion Project.

Mission Creek Subbasin Sustainable Groundwater Management Act Compliance

The 2022 Alternative Plan Update for the Mission Creek Subbasin was submitted and is still with DWR for review, however, DWR doesn't anticipate completing reviews of alternative plans until 2024.

The Mission Creek Subbasin Annual Report for Water Year 2022 was submitted to DWR for review and approval.

The U.S. Geological Survey (USGS) completed the installation of two land subsidence benchmarks in MSWD's service area, and began the land subsidence study and analysis for the Mission Creek Subbasin.

San Gorgonio Pass Subbasin Sustainable Groundwater Management Act Compliance

The 2022 Groundwater Sustainability Plan for the San Gorgonio Pass Subbasin was submitted and is still with DWR for review.

The San Gorgonio Pass Subbasin Annual Report for Water Year 2022 was submitted to DWR for review and approval.

Indio Subbasin Sustainable Groundwater Management Act Compliance

The 2022 Alternative Plan Update for the Indio Subbasin was submitted and is still with DWR for review, however, DWR doesn't anticipate completing reviews of alternative plans until 2024.

The Indio Subbasin Annual Report for Water Year 2022 was submitted to DWR for review and approval.

Salt and Nutrient Management Plan

The Coachella Valley Salt and Nutrient Management Plan (CV SNMP) agencies began implementing the SNMP Development Plan to update the CV SNMP by 2026. CVWD, on behalf of the CV SNMP agencies, submitted the second SNMP Monitoring Annual Report to the Regional Board.

Staff continues to coordinate with CVWD on the Technical Support Services grant application with DWR to construct monitoring wells within the Mission Creek and Desert Hot Springs Subbasins.

Hexavalent Chromium (Chromium 6) Maximum Contaminant Level

The State Water Resources Control Board (SWRCB) has circulated a Notice of Preparation of a Draft Program Environmental Impact Report (EIR) Adoption of a Regulation for the Hexavalent Chromium Maximum Contaminant Level for public comment. Staff provided public comment to the SWRCB on April 29, 2022. Since then, there have been no major updates or developments from the SWRCB in response to public comments. Staff will continue to monitor.

Innovation and Technology

The Innovation and Technology Department (IT) continues to work with staff and vendors to achieve technological enhancement and meet innovation goals established by the MSWD Board of Directors. Below are project highlights and summaries for FY 2022-23.

Strategic Goal 2 – Infrastructure

During the last fiscal year, the IT Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 2 – Infrastructure.

Strengthening Network Security Measures

The District joined the Center for Internet Security (CIS) and the Multi-State Information Sharing and Analysis Center (MS-ISAC), providing access to valuable resources, free services, incident assistance, and discounted pricing on security services. These memberships bolster our cybersecurity capabilities, enabling us to proactively address emerging threats and protect our data, customers, and employees.

Acquisition of an Advanced Firewall for Improved Security and Network Architecture: We invested in an advanced firewall solution that serves dual purposes: enhancing network security and improving network architecture. This firewall incorporates advanced features and offers increased data capacity. By implementing this solution, we have significantly strengthened our network’s security measures and enhanced its overall performance and resilience.

Financial System Hardening: Ongoing improvements in the hardening of security of the financial system, as well as additional controls in user access to protect our data, customers, and employees.

Enhancing Network Infrastructure and Hardware Capabilities



Continuous Desktop and Laptop Upgrades: In line with our commitment to provide our employees with up-to-date technology, we diligently conducted desktop and laptop upgrades as needed throughout the fiscal year. By systematically replacing outdated hardware, we ensured that our workforce has access to modern and efficient computing devices, enabling them to perform their tasks more effectively and efficiently. These upgrades have contributed to increased productivity, reduced downtime, and enhanced user satisfaction across the organization.

Ongoing Desktop and Laptop Upgrades: Continued upgrades of desktop computers and laptops as needed, ensuring employees have modern and efficient technology for improved productivity while also decreasing maintenance and helpdesk support costs.

Upgraded Network Equipment for Enhanced Reliability: Network equipment linking the Horton Wastewater Treatment Plant and Corporate Yard was upgraded to address potential failures and improve overall network reliability, ensuring seamless communication and data transfer. The Horton Wastewater Treatment Plant has seen improved speed and connection quality.

Server Decommissioning for Cost Reduction and Resiliency: Older servers were decommissioned or converted to virtual machines to decrease maintenance expenses and enhance disaster resiliency, optimizing infrastructure efficiency and data recovery capabilities.

Upgraded Server Storage Network for Increased Capacity and Speed: Server storage network was upgraded to support larger data capacity and faster speeds, improving system responsiveness and data processing efficiency.

IT collaborated with the Wastewater department to establish the necessary network setup for the newly constructed North Building Office at the Horton Wastewater Treatment Plant.

In preparation for our upcoming GIS and asset management projects, the IT Manager attended the Palm Springs ESRI Infrastructure Management & GIS Conference and Water User Group Meeting at the ESRI Headquarters in Redlands, CA.

Advancing Data Accessibility, Efficiency, and System Upgrades

IT successfully completed a collaborative upgrade project with the Wastewater Department to improve data collection and availability for collections inspections. This initiative ensures more accurate and readily accessible data, facilitating better decision-making and efficient maintenance of collections systems.

Working with other departments, IT evaluated and selected the optimal video surveillance and access control systems for the new Regional Water Reclamation Plant and future expansion at other sites.

MSWD continues its push toward paperless operations with the expansion of Laserfiche forms which staff are currently using for managing budgets and submitting overtime. Additional forms are in development along with continuous improvements in current forms.

Upgraded the financial system to the most current release, improving security and enabling additional capabilities.

The IT department developed a comprehensive process for onboarding and offboarding employees concerning IT systems. This process ensures a smooth transition for new employees, granting them access to necessary IT resources, while also ensuring secure and efficient removal of access for departing employees.

We continue our gradual migration into the Microsoft Sharepoint cloud, allowing field staff better access to data and increasing the security, availability, auditing, and recoverability of our data. We are also better positioned for secure collaboration with external entities.

Strategic Goal 3 – Financial Management

During the last fiscal year, the IT Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 3 – Financial Management.

IT worked with Customer Service, Public Affairs, and Accounting on the continued improvement of customer payments within the new portal and ultimate retirement of the old portal.

Following a thorough evaluation of options for maintaining and upgrading the existing ERP system, the District has determined that migrating to a new ERP system is the optimal path forward. Consequently, we have initiated an assessment of our current needs, workflows, and systems in preparation for crafting a comprehensive Request for Proposal (RFP). This diligent approach ensures that we align our future ERP solution with our evolving requirements, setting the stage for a seamless transition and enhanced operational efficiency.

Strategic Goal 4 – Public and Political Outreach

During the last fiscal year, the IT Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 4 – Public Outreach.

In collaboration with the Public Affairs and Customer Service departments, assisted with the reopening of the front lobby. IT assisted in introducing a range of enhancements to improve the customer experience. This included the setup of the informative lobby presentation, a customer booking calendar, and ensuring technical staff availability to assist customers in person. These efforts aimed to provide a seamless and efficient experience for customers visiting our facility, enabling them to access relevant information, schedule appointments, and receive personalized assistance from our dedicated staff.



Public Relations

Strategic Goal 4 – Public and Political Outreach

During the last fiscal year, the Public Relations Department has successfully implemented the following programs, projects, and events in support of the District’s Strategic Goal 4 – Public and Political Outreach.

MSWD Blood Drive: July 13, 2022

As part of the 9 Cities Blood Challenge, MSWD hosted LifeStream blood bank in July 2022. MSWD had more than 15 life-saving donations during the event that counted toward the Desert Hot Springs tally. Open through August 31, 2022, Palm Desert currently leads the competition with 110 pints collected.



Cabot

Yerxa Elementary School, Back to School Night: August 9, 2022

MSWD was at Cabot Yerxa Elementary School to share conservation and program information with parents and students as they made their way to a special back-to-school night.

Julius Corsini Elementary School Class Presentation: August 31, 2022

In a joint presentation with CVWD, two third-grade classes from the Julius Corsini Elementary School learned about water in Desert Hot Springs and the greater Coachella Valley. They also learned about the Cahuilla Indian tribe and how they were the first tribe in the nation to dig for water, allowing them to settle in the Coachella Valley.

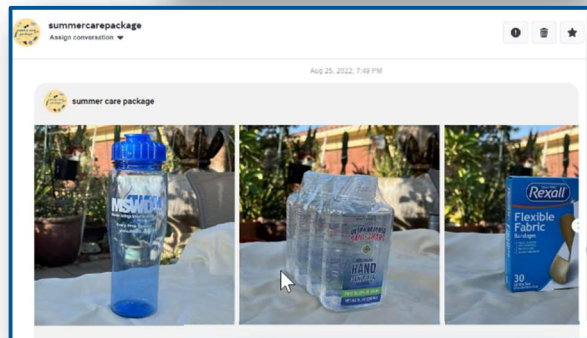
Well Untapped Legislative Water Summit: September 6, 2022

Featuring Natural Resources Secretary Wade Crowfoot and Chair of the State Water Resources Board E. Joaquin Esquivel, this public event covered all things water, including the Salton Sea and water use in the Coachella Valley and the State Board's role in the Water crisis.



Interact Rotary Project

Through our participation with Rotary International, the District recently sponsored bags and water bottles for a student led Interact project to create summer care packages for the homeless of our city.



MSWD Blood Drive: September 14, 2022

MSWD hosted the LifeStream bloodmobile on September 14, 2022, in honor of the fallen 9/11 heroes. In total, we had more than 20 life-saving donations. A special thank you to all who participated and Carol Morin, part of the Public Affairs team, for helping to organize the event. We anticipate hosting LifeStream again 2023 and are currently working with them on dates.



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Soroptimist House of Hope Day: October 5, 2022

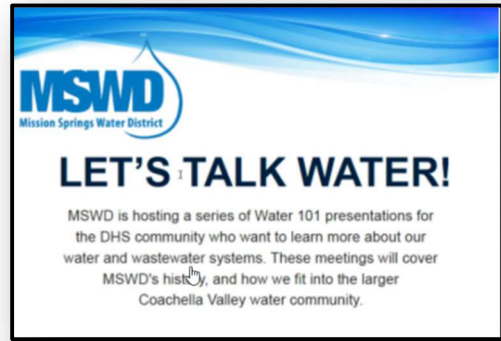
MSWD was a proud sponsor of the Soroptimist House of Hope's "A Day of Hope" Luncheon. This special event celebrated the agency's work and was an opportunity to thank the public for helping them to fulfill their mission.



Desert Hot Springs Rotary Career and Health Fair: October 22, 2022



MSWD was proud to participate in the Desert Hot Springs Job and Health Fair. The event was hosted collaboratively by the City of Desert Hot Springs, Desert Hot Springs Rotary Club, El Sol Neighborhood, and the Palm Springs Unified School District.



Water 101 Community Workshops: October 20, 2022

In October 2022, the District kicked off the fall/winter series of Water 101 presentations at the Desert Hot Springs Library. With almost 30 members of the community in attendance, the successful event featured the District's water system. Additional sessions took place November 10, 2023, and featured topics including our wastewater system, long-term planning, making, and customer service.



Desert

Hot Springs Rotary Club's Happy

Healthy Halloween: October 29, 2022

The festivities were fantastic during the Desert Hot Springs Rotary Happy Healthy Halloween event held at Mission Springs Park. The event featured booths, games, and a Spooky Car and Bike Show. The MSWD booth featured our award-winning water, and a candy ring toss was very popular and even garnered attention on the KESQ Instagram feed.



Desert Hot Springs State of the City: November 17, 2022

MSWD was a proud sponsor of the Desert Hot Springs State of the City. Hosted annually by the City and the Greater Coachella Valley Chamber of Commerce, the lunch event provided valuable information about city projects and new development. During the event, MSWD Director Ivan Sewell was honored with a special Volunteer of the Year award.



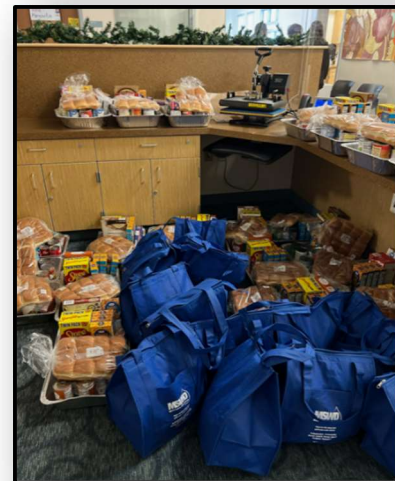
ACWA Fall Conference: November 29 – December 1, 2022

The Association of California Water Agencies (ACWA) 2022 Fall Conference & Exhibition took place at the Renaissance Esmeralda and Hyatt Regency in Indian Wells. Breakout sessions covered various topics, including water management, innovation, public communication, affordable drinking water, energy, and finance.



Thanksgiving Food Drive: November 16, 2022

MSWD employees were proud to partner with Painted Hills Middle School to provide local families with Thanksgiving food bags. Employees donated non-perishable food items and cash donations to families in need. School administrators packaged and paired this with additional contributions and delivered them in MSWD-branded insulated bags.



Desert Hot Springs Women’s Club Black & White Fundraiser

MSWD staff and Directors were pleased to support the Desert Hot Springs Women's Club during their annual winter fundraising event. All proceeds from the event will be used to fund scholarships for Desert Hot Springs youth.

Water 101 Community Workshops: November 10, 2022

This fall, the District kicked off the fall/winter series of Water 101 presentations at the Desert Hot Springs Library. With almost 30 members of the community in attendance, the November 10, 2022, session featured the District's wastewater system. Additional sessions took place on December 8, 2022, and January 19, 2023, and featured topics including long-term planning, rate-making, and customer service.

MSWD Employee Toy Drive: December 20, 2022

Employees from MSWD showed their support for the Desert Hot Springs community through its annual employee toy drive. This year, we supported Team Mom Charities, who worked with our local Desert Hot Springs schools to identify families that needed presents this holiday season. The city-wide toy drive culminated in a toy distribution event on December 17, 2022, at the Desert Hot Springs High School gymnasium.



MSWD Blood Drive: December 20, 2022

During our last blood drive on December 20, 2022, we collected 19 pints of life-saving blood. In 2022, we hosted five blood drives, equated to more than 100 pints of life-saving donations.



Fall Water 101: January 19, 2023

The fall series of Water 101 classes finished on January 19, 2023. The fourth and final session featured information about District finances, rates, customer service, and our new Customer Connect web portal. A new set of classes started in March 2023 and were held on the following days: March 9, April 6, May 25, and June 22, 2023.



Food Now Cornhole & Chili Cookoff Event: January 16, 2023

MSWD was a proud sponsor of the Food Now Cornhole and Chili Cookoff. Food Now strives to improve the quality of life of our residents by providing food assistance, community outreach, and support services which strengthen families and build healthy communities.



Career Day at Cabot Yerxa Elementary School: February 1, 2023

During the annual career day at Cabot Yerxa Elementary school, MSWD Field Operations Technician II Alex Nine had the pleasure of sharing the tools of his trade and his love of all things water with several third-grade classes. The students enjoyed learning where their water comes from and about the different careers available in the District.

Palm Springs Air Museum Fundraising Dinner: February 18, 2023

MSWD was once again a proud sponsor of the Palm Springs Air Museum. This year’s fundraising dinner honored women in aviation while raising funds to support local educational programs.



MSWD Blood Drive: February 22, 2023

Recognizing the continued need in our community, MSWD partnered with LifeStream to host an employee/community blood drive. While the cold may have prevented some from donating, the drive was still successful, helping the local blood supply, which is currently perilously low.

Water Efficiency Workshop with Master Gardener Burt Boss: February 23, 2023

MSWD hosted a Water Efficiency Workshop with UCCE Master Gardener Burt Boss, who shared his experiences and techniques for creating a desert oasis using water efficient irrigation and landscaping techniques. Additional sessions are being held July 20, 2023, and December 7, 2023.

Desert Hot Springs Women’s Club Fashion Show: March 5, 2023

MSWD was a proud program sponsor of the Desert Hot Springs Women’s Club Annual Fashion Show, with proceeds the event funding college scholarships for the local Desert Hot Springs High School. The fashion show is one of the club’s largest fundraisers of the year.



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MSWD Water 101: March 9, 2023

MSWD hosted community members for the first of four Water sessions at the Desert Hot Springs Library. The first session featured the MSWD water delivery system and covered water quality and testing topics. Sessions 2-4 were held on April 6, 25, and June 22, 2023.

101

May

Mountain View by Mission Lakes Community Event: March 18, 2023

MSWD attended a special community event in the Mountain View community promoting programs and services offered by the District.



Early Act Presentation Two Bunch Palms Elementary School: March 20, 2023

Early-Act Club members learned about our aquifer and the source MSWD’s award-winning water during a special lunch presentation. The group returned the following week to follow up the presentation and simulated the aquifer/water purification process using a plastic water bottle, coffee filter, and rocks.



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Coachella Valey Salt and Nutrient Management Plan Workshop: March 22, 2023

Members of the Coachella Valley Salt and Nutrient Management Plan (CV-SNMP) held a community workshop to discuss the development of the CV-SNMP, a basin-wide plan to manage salts and nutrients in compliance with the Recycled Water Policy. The 90-minute hybrid workshop had approximately 40 participants and is the first of multiple public workshops being planned. A meeting recording and the slides are available at the SNMP website: www.cvsnmp.com.



Desert Hot Springs Noon Rotary Presentation: March 23, 2023

MSWD General Manager, Arden Wallum, treated rotary attendees to a construction update on the District’s new Nancy Wright Regional Water Reclamation Facility to celebrate water and sanitation month. Attendees enjoyed hearing about the new facility and watching a slide show of construction photos.



Desert Hot Springs Little League Opening Ceremony: March 25, 2023

The Desert Hot Springs Little League is dedicated to building character and providing fair and challenging activities to our Desert Hot Springs youth. Once again, MSWD is a proud sponsor of the league.



31st Annual Senior Inspiration Awards: March 30, 2023

MSWD was again proud to be part of the 31st Annual Senior Inspiration Awards. The event honors seniors each of the Coachella Valley cities and the County of Riverside. Desert Hot Springs resident Teresa Valencia Sanchez was honored for her outstanding work with our local food pantries.



from work

Julius Corsini Elementary School Career Day: March 31, 2023

Students at Julius Corsini Elementary School learned about the source of their award-winning tap water and some of what it takes to get that water to their homes. At the end of the presentation, they took turns trying on some of the Personal Protective Equipment our field services wear.



Water 101: Let's Talk Water: April 6, 2023

This Water 101 class featured our wastewater operations, highlighting the Horton and Wright facilities, assessment districts, and what the District has been doing to protect groundwater resources since the early 1970s. Community interest in the meetings remains strong, and we had several new faces at the meeting.

CORBS Dinner: April 8, 2023

MSWD attended the Colorado River Basin Section California Water Environment Association annual dinner on April 8, 2023. MSWD received two awards at the event, plant of the year and special community engagement honors for our Protect Your Pipes campaign.

CWEA Awards Presentation: April 19, 2023

During an awards ceremony hosted by the California Water Environment Association, Mission Springs Water District took home top State honors for the District's Protect Your Pipes Community Engagement and Outreach Campaign and finished second place for Plant Operations at the Alan L. Horton Wastewater Treatment Facility.



Desert Hot Springs High School/DVBA Women in Building Lunch & Learn: April 19, 2023

MSWD was a proud sponsor of a recent DVBA Women in Building luncheon at Desert Hot Springs High School. More than 25 students attended the event to learn about careers in the building industry. Presenters discussed careers beyond a typical construction job, including engineering and city/water-related jobs. The students asked many questions and enjoyed their lunch and swag bags.



Desert Hot Springs Rotary Big Heart Awards: April 20, 2023

The Desert Hot Springs Rotary Big Heart Awards honored individuals and local businesses for doing good in our community. This year's MSWD Person of the Year was Engineering Technician II Mike Platt, who has been active in the Desert Hot Springs community for many years. The fun-filled event also celebrated the Desert Hot Springs Rotary's 75th anniversary, which our own General Manager, Arden Warden, reflected on during a special toast and speech during the event.



Cabot Museum Earth Day Event: April 22, 2023

MSWD celebrated Earth Day by partnering with Cabot's Museum for a free exhibition. Attendees learned about the hot and cold water that helped spark the flame that would someday turn into the Desert Hot Springs community. As part of the festivities, attendees had free access to the museum and were treated to poetry by local students. In addition, MSWD staff hosted a resource booth in the courtyard promoting the history of our award-winning water and the District's efforts to protect this critical resource. MSWD celebrated Earth Day by partnering with Cabot's Museum for a free exhibition. Attendees learned about the hot and cold water that helped spark the flame that would someday turn into the Desert Hot Springs community. As part of the festivities, attendees had free access to the museum and were treated to poetry by local students. In addition, MSWD staff hosted a resource booth in the courtyard promoting the history of our award-winning water and the District's efforts to protect this critical resource.



MSWD Blood Drive: May 10, 2023

Recognizing the continued need in our community, MSWD once again partnered with LifeStream to host an employee/community blood. More than 16 employees signed up to make a lifesaving donation.

BLOOD DRIVE Scan the code to make your next appointment!

PROUDLY HOSTED BY

Wednesday, May 10
7 AM to 1 PM
66575 2nd St., Desert Hot Springs
in the MSWD Boardroom.

All donors will receive a vintage LifeStream t-shirt, while supplies last!
Give a Double Red Cell donation and receive a \$25 e-gift card, while supplies last!

For appointments, call 800.879.4484, visit lstream.org/mswd, or scan the QR code above.



Utility Assistance Clinic: May 22, 2023

Representatives from Riverside County Community Action Partnership, the United Way, FoodNow, and Desert Valley Disposal were in attendance for on-site program sign-ups and to provide community resources and support. Customers can qualify for as much as \$2,000 in financial support for their water or wastewater service.

Career Day at Painted Hills Middle School: May 24, 2023

Students at Painted Hills Middle School learned about the source of their award-winning tap water and some of what it takes to get it to their homes during a special career day presentation held at Painted Hills Middle School on May 24, 2023.

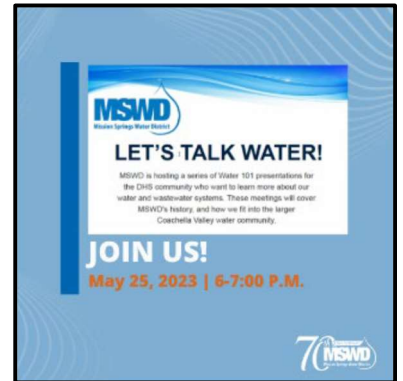


Water 101: May 25, 2023

MSWD hosted its third Spring Water 101 presentation at the Desert Hot Springs Library. The first session featured the MSWD water delivery system, the second featured the wastewater system, and the third session covered finance, rate making, and customer service. A fourth session was held June 22, 2023, including regional planning and collaboration efforts.

Utility Assistance Clinic: June 8, 2023

Representatives from Riverside County Community Action Partnership, the United Way, FoodNow, and Desert Valley Disposal were in attendance for on-site program sign-ups and to provide community resources and support. Customers can qualify for as much as \$2,000 in financial support for their water or wastewater service.



Toilet Rebates

In total, we received 15 applications with a total of 50 toilets. The total rebate amount paid to customers was \$3,802.00. According to the [EPA](#), each replaced toilet represents as much as 13,000 gallons of water savings per year.

Turf Rebates

We have received dozens of Turf Rebate applications with a total of 11 rebates paid for FY 2023 totaling \$27,962.

Water Bottle Program

There was a total of 612 cases of water donated to local events during FY 2023 as part of the District's Water Bottle Program.

Date Supplied	Requests Filled	Event or Purpose	# Cases Requested
07/06/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
07/14/2022	St. Elizabeth's Church	Knights of Columbus Meetings	2
08/02/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
08/03/2022	PS/DHS Indians	Youth Football & Cheer Games	5
08/03/2022	PSHS	Football Games - Varsity	5
08/05/2022	Living Word in the Desert	Back to School Event	10
08/09/2022	Cabot Yerxa Elementary School	Back to School Night	10
08/23/2022	Cielo Vista Charter School	Back to School Night	10
08/29/2022	Homeowners	Redbud Booster Fire Incident	10
09/01/2022	DHS High School	Public Safety Academy	7
09/07/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
09/08/2022	Miracle Springs Resort	International Retreat	6
09/26/2022	DHS High School	Special Activities Class	10
10/5/2022	DHS High School	Edward Wenzlaff Field Trips	6
10/06/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
10/10/2022	DHS Police Department	Investigations, Traffic Accidents	5
10/13/2022	Cabot's Pueblo Museum	Dia de los Muertos	4
10/13/2022	City of DHS	Dia de los Muertos	8
10/20/2022	DHSHS	Public Safety Academy-Great Shakedown	10



STRATEGIC PERFORMANCE AND ACCOMPLISHMENTS 2024

10/20/2022	Friends of DHS Library	Authors Series/Book Sale	6
10/22/2022	DHS Rotary	Health & Job Fair	10
10/24/2022	DVBA	Annual Golf Tournament	8
10/28/2022	Miracle Springs Resort	SEECA Mineral Water Retreat	1
10/29/2022	MSWD	Rotary Happy Healthy Halloween	10
10/31/2022	Lily of the Valley Worship Center	Harvest Festival	8
11/02/2022	PSUSD/EWCE ATP	Field Trips	6
11/08/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
11/10/2022	Team Mom Charities	Community Thanksgiving Dinner	12
11/11/2022	Diversity DHS	Fundraiser Dance at Cabot's Museum	15
11/17/2022	Quail Valley Associates	Fundraiser	10
12/5/2022	Kerry Berman C.I.G.	Student Tour	2
12/08/2022	City of DHS	Council/Commission Meetings/Walk-In Guest	25
12/8/2022	St. Elizabeth's Church	Special Event	10
12/09/2022	Habitat for Humanity	Golf Tournament	6
12/14/2022	Friends of the Library	Authors Series	4
01/09/2023	City of DHS	Council/Commission Meetings/Walk-In Guest	25
01/12/2023	Caliente Springs Community	Golf Tournament	8
01/24/2023	The Spa Paletteers Art Club	Annual Art Show	2
01/25/2023	Miracle Springs Resort	Health Retreat	6

02/06/2023	City of DHS	Council/Commission Meetings/Walk-In Guest	25
02/08/2023	Mission Lakes Country Club	Ladies Golf Tournament	4
02/09/2023	DHS High School	Family Night	10
02/09/2023	DHS Paletteers Art Club	Art Club	2
02/10/2023	Two Bunch Palms School	PSUSD Wellness Fair	9
02/15/2023	Miracle Springs Resort	Road Hiking Church Group	8
02/23/2023	Bella Vista Elementary School	Jog-a-thon	12
03/01/2023	Cabot Yerxa Elementary School	Field Trips	12
03/09/2023	Miracle Springs Resort	Sun Lakes Hikers	2
03/15/2023	Bella Vista Elementary School	Early Act Club	2
03/16/2023	Bella Vista Elementary School	Jog-a-thon	10
03/16/2023	City of DHS	Council/Commission Meetings/Walk-in Guest	25
03/22/2023	Friends of the DHS Library	Authors Series	2
03/22/2023	DHS High School	Student's Annual Fashion Show	10
03/23/2023	DHS Family Resource Center	LENA Start-Early Talk Program	5
03/31/2023	DHS High School	CTE Field Day-Public Safety Academy	12
04/07/2023	Living Word in the Desert	Easter Sunday Event	6
04/10/2023	CVCAN	Desert Haze VIP Zone	10
04/19/2023	DHSHS	Lunch and Learn with Students & Community	2
04/20/2023	Rotary Club	Big Heart Awards Dinner	9

04/22/2023	Cabot's Pueblo Museum	Earth Day Celebration	4
04/29/2023	Jeff Bowman	Ron Gilbert's Memorial	2
04/31/2023	Art Foundation DHS	Golf Fundraiser	4
Total Cases			612



Water Operations

The District's Water Operations is committed to protecting our most valuable resource, water. In 2022, the COVID-19 pandemic continued to bring on challenges for the District. During this time, we continued to proceed with our maintenance programs and ensure our work and projects stayed on track.

Construction and Maintenance

Strategic Goal 1 – Water Supply

During the last fiscal year, the Construction and Maintenance Department has successfully implemented the following programs and projects in support of the District's Strategic Goal 1 – Water Supply.

Staff along with the Water Production Department assisted Engineering and their consultant working on the water and sewer master plans. Field crews worked with MBI on performing fire flows and watching the SCADA system while MBI collected the required data for the master plans.

Strategic Goal 2 – Infrastructure

During the last fiscal year, the Construction and Maintenance Department has successfully implemented the following programs and projects in support of the District's Strategic Goal 2 – Infrastructure.

Staff worked with B-81 Paving on the current paving patch list and completed 28 permanent asphalt patches.

Staff abandoned a section of the Tamarack Mainline due to aging pipes and leaks.

Staff continued the use of the new Computerized Maintenance Management System (CMMS), which allows paperless tracking of all work orders. Prior to implementing the CMMS system, tracking work orders was labor intensive and did not allow easy access to labor, material, and equipment costs. This program allows staff to manage workorders much more efficiently, eliminate paperwork, and enhance productivity. More importantly, the program allows staff to track all work, run analytical reports for labor and costs associated with repairs, allowing focus on planned preventative maintenance, thus facility downtime is minimized.

Operational Highlights

The following maintenance activities were completed in the previous year.

- Staff flushed 286 blow-offs as part of the annual blow-off maintenance program. This program is a requirement of the state health department and a good water quality measure for dead end mains and areas that are known for low flows or minimal water consumption.
- Staff exercised 2,143 ground valves as part of the ground valve maintenance program.
- Staff serviced/maintained 780 fire hydrants as part of the fire hydrant maintenance program.
- Staff replaced 116 poly service lines with copper, this number is up from last year.
- Staff serviced 189 air-vacuum valves under the Air-Vacuum Program.
- Staff installed 164 new water services.
- Staff completed 12 Cla-Val annual maintenance services.
- Staff completed 3,753 underground service alert line location tickets.

Water Production

Strategic Goal 1 – Water Supply

During the last fiscal year, the Water Production Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 1 – Water Supply.

The Water Production Department is responsible for the monthly water quality analysis that is performed throughout the year in the three public water systems that MSWD operates and maintains. Staff is responsible for taking the water samples, reviewing the results, and submitting the analysis monthly reports to the State Water Resources Control Board (SWRCB) by the 10th of every month. In 2022, staff collected approximately 1,100 samples of which approximately 700 samples were routine samples required by the District annually. Of the 1,100 samples taken, there were 3,192 analyses completed for various constituents to ensure our water is safe to provide to the public. Some examples of constituents tested in 2022 included Total Trihalomethanes (TTHM - Disinfectant Byproducts), Haloacetic Acids (HAA5 – Disinfection Byproducts), Nitrates, Total Coliform, and Escherichia Coli (E-Coli) amongst others.

In June 2020, the District joined a demand response program through Enersponse, a third-party company that works directly with Southern California Edison (SCE) to help minimize drastic

events on the power grid. The demand response program is a measure to call on end-use customers to reduce their electric demand during periods of power shortages, or grid instability, in an effort to prevent power outages and help balance out demands. Agencies receive a call to participate 24 hours prior to an event. Participants are paid ongoing payments to reduce electricity usage throughout the year. In 2022, MSWD earned \$6,768 (this does not include the last quarter of 2021) for participating in this program.

Staff continued to oversee the landscape work at the District's 36 sites. Each year staff advertises a request for bids for annual landscape service through PlanetBids. In the second quarter of 2022, staff advertised and received five bids for this service. Urban Habitat was the lowest responsive bidder and was awarded a contract in June 2022.

Each month, staff is responsible for sounding the groundwater levels at 13 potable water wells and seven monitoring wells throughout the District's service area. Staff evaluates the data received which includes static water levels, pumping water levels (for operational wells), and drawdown on each well. In 2022, water levels on average held steady with no major declines noted. On average, we have noticed a decline of approximately 2 feet throughout all the MSWD wells.

The Production Department had several projects in FY 2022-2023 that helped improve the overall operations and quality of the water system and the District as a whole. The following is a list of key projects staff undertook:

Well 33 Rehabilitation

Beginning in August 2022, MSWD began rehabilitation efforts for Well 33 and its downhole pumping equipment. This work was recently completed at the start of 2023. This well was chemically and mechanically rehabilitated and fitted with new downhole submersible pumping equipment. Additionally, the suction reservoir at this site was also drained, inspected, and cleaned by MSWD staff.

Well 22 Rehabilitation

Near the end of 2022, MSWD began rehabilitation efforts at Well 22. We started with mechanical rehabilitation efforts, but quickly learned that we had to broaden our methods to include chemical rehabilitation procedures. This project is not yet complete, but we anticipate the rehabilitation to be completed by mid-June of 2023. Additionally, once this well is back on-line, the District will proceed with the Well 24 Electrical Panel Upgrade.

Well 24 Electrical Panel Upgrade

This project is to do a full removal and replacement of the existing electrical panel and motor control center. Well 24 is currently the only well providing water to the 1400 Annandale Zone and is an essential well to the District. This project will bring the site up to today's standards for safety and efficiencies. The Well 24 Electrical Panel Upgrade project was completed during the first quarter of 2023. This included all new underground electrical infrastructure, pad-mounted transformer, and Motor Control Center. This was a significant improvement to this well site and should help ensure continued reliable operation.

Well 26A Rehabilitation

The production rate (gpm) at Well 26A was in decline during the first few months of 2022, thus the District decided to perform a mechanical rehabilitation of this well. At its lowest rate it was only producing 83 gpm, but after the rehabilitation the Well is now able to produce up to 170 gpm.

Motor Saver Installations

Beginning towards the end of 2022 the District used our on-call electrical contractor, KSM Electric, to install Motor Saver (Littlefuse 777) units on all of our electric motors. These Motor Saver units help protect against voltage and current imbalances which can cause damage to a motor. We hope that this helps prevent preventable motor failures in the future.

Reservoir Inspections and Cleanings

The District recently contracted with a tank diving, inspection, and cleaning company to service 9 of our reservoirs. The reservoirs that were serviced are as follows: Two Bunch #1, High Desert View #1 & #2, Quail, Vista, Little Morongo, Mission Lakes, Annandale, and Highland. Other than the expected layer of sand at the bottom of the reservoirs, all were reported to be in good condition. The only reservoir that will need repairs within the next 5 years is Vista.

Terrace Booster Pump Rehabilitation

Due to high runtime, many of the booster pumps located at the Terrace Reservoir are in need of repair. The District began to rehabilitate these pumps one-after-another. Currently, we have rehabilitated Boosters 1, 3, & 4. We are actively continuing with the boosters that remain to be repaired. Note: All six of the booster pumps at this site are operational despite the repairs needed.

Automatic On-Online Chlorine Analyzer

The District staff recently completed the installation of an Automatic On-Line Chlorine Analyzer at our Valley View Booster station. This analyzer reflects the chlorine dosing that takes place at Well #27. These chlorine readings are now monitored and logged electronically via our SCADA system. Additional Chlorine Analyzers are scheduled for installation, with a goal to monitor our chlorine residuals throughout our entire District.

Solar-Only Improvements

The District has a number of sites that rely on solar power for the site's Telemetry equipment. The Production Department staff has made many improvements/repairs to these existing solar-dependent sites which has greatly improved system reliability and has resulted in a reduction of overtime hours for our staff. Even during extended periods of cloudy weather these sites have remained online/active.

Site Security Improvements

The District has experienced an increase in vandalism at a few of our water production facilities. These events have caused us to make improvements to our site security systems so that we're able to have a faster response time. In fact, many of our improvements have been proven to help



thwart vandal activity that was in process. This has saved the District thousands of dollars in material and labor costs.

Operational highlights

Completed the 2023 annual CCR report for 2022, and completed the 2022 annual CCR report for 2021.

Completed the annual well extraction reports for our three public water systems.

Completed the annual CASGEM reporting.

Completed the Electronic Annual Report (EAR) for 2021 and 2022.

Completed the Annual Water Loss Audit.

Wastewater Operations

Collections

Strategic Goal 2 – Infrastructure

During the last fiscal year, the Collection Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 2 – Infrastructure.

Collections staff jetted and cleaned 42.02 miles of sewer mainline that included 883 segments of pipe, which was less than last year due to a vacancy in the department. The mainline jetting and cleaning program are routine maintenance programs to prevent sewer overflows. The typical yearly expectation of footage cleaned is 20 miles, which was exceeded by the Collections staff. As a result of the vacancy, this allowed the lone operator to routinely inspect 313 pipe segments totaling 16.8 miles almost doubling the footage inspected the previous year.

Wastewater

Strategic Goal 2 – Infrastructure

During the last fiscal year, the Wastewater Department has successfully implemented the following programs and projects in support of the District’s Strategic Goal 2 – Infrastructure.

Nancy Wright Regional Water Reclamation Facility Construction

The District began construction for the new Nancy Wright Regional Water Reclamation Facility (RWRF) near the I-10/Indian Ave. corridor in April 2022, and is currently 46% complete. The project was awarded to J.F. Shea Construction with an anticipated completion date in November 2023. The proposed Conveyance Line and RWRF projects will be capable of redirecting and treating some of the flows from the Horton WWTP. The Horton WWTP is currently at 80.6% of the permitted capacity of 2.436 MGD.

Alan L. Horton Wastewater Treatment Plant Operational Highlights

After a thorough review of all the unit processes and operational data for this past year, we do not foresee any major maintenance or operational changes for the Alan L. Horton Wastewater Treatment Plant (Horton WWTP).

The Horton WWTP received and treated 727.749691 million gallons of raw wastewater.

The sludge produced at the Horton WWTP in 2022 was loaded into trailers and hauled to Ag Tech LLC, in Somerton, Arizona. Western Express removed a total of 4797.71 wet tons of sludge. A total of 189 trailers were hauled away. On a weekly basis, the grit and screenings are placed in the sludge disposal trailers. The total non-toxic grit and screenings produced was approximately 85.0 cubic yards.

Odor and fly control continue to be high priority at our facilities. All sludge drying beds at the Horton WWTP remain out of service except in the event of an emergency.

The District was issued an updated WDR Permit in April 2022 to include:

- Additional Percolation Ponds constructed in 2019,
- Addition of a Cloth Media Effluent Filter Project,
- Installation of a Carbon Odor Control System for the Headworks/Influent Pump Station,
- Replacement of the (4) 40HP submersible Influent Pumps with submersible Chopper pumps,
- Other changes included removing (1) Channel Grinder from service,
- Additional sampling requirements were added including Influent TDS sampling and E. Coli sampling of the Groundwater Well network.

The District's consultant, TKE Engineering, completed the 100% design of the Cloth Media Effluent Filter Project for added to polish the effluent going into the percolation ponds. This project is expected to start in 2024. District staff contracted with Vaughan's Industrial to install (4) 40 HP Chopper pumps, replacing the older non-clog submersible pumps in the Influent Wet well. The Carbon Odor Control System Project was completed in mid-2022 after the project was awarded to Atom Engineering.

Approved Capital Improvement Projects planned for the Horton WWTP in FY 2024 include:

- An above-ground pipe coating project which was put on pause for 2022 and is expected to move forward for completion,
- The existing North Building at the Horton WWTP will be remodeled to include additional showers and a new office space for staff,
- Conveyance Line/Diversion Structure to the New RWRF.

Staff initiated an Operator in Training (OIT) program in July 2022 to assist in the maintenance operations of the Horton WWTP. The goal of the program is to assist individuals with becoming well trained and certified Grade I Wastewater Treatment Plant Operators.

Alan L. Horton Wastewater Treatment Plant Maintenance

Last year, the following maintenance activities were completed at the Horton WWTP.

- Staff replaced the gear reducer and bearing on aeration brush #1.
- Clarifier #1 was drained and inspected to ensure sump was not clogged and all equipment was operating properly. Replaced the upper and lower scrapper blade on the belt filter press.
- Staff replaced the 3 augers in the loadout auger for the belt filter press due to wear on the shafts and replaced the 27-inch ripper teeth on the Kubota with hardened faced ripper teeth.
- Staff replaced the gearbox reducer on the load out auger for the belt press.
- Staff replaced the front bucket on the skip loader.
- Staff replaced influent pumps 1 and 2 with Vaughan chopper pumps.
- Staff replaced influent pumps 3 and 4 with Vaughan chopper pumps.
- The District's confined space equipment sent in for re-certification.
- The Headworks was drained and all grit / debris were removed.
- Integrity Municipal Systems finished installation of odor control unit at the headworks. A stainless steel manual bar screen was fabricated and placed in the bypass channel at the headworks to help capture rags from entering the plant.
- Staff replaced upper belt on the belt filter press due to a tear in the belt.
- The North Building roof was inspected for water damage and mold.
- Staff replaced the VFD for the feed box on the belt filter press. A new container was placed onsite to store emergency equipment such as hoses for the trash pumps.
- Staff replaced the motor, gearbox, auger brush and stainless-steel screen for the auger monster in the headworks. Puro Clean replaced water-damaged area of the North Building roof.
- Staff replaced the lower and gravity belts on the belt filter press. New AC was installed on the north building.

Desert Crest Wastewater Treatment Plant Operational Highlights

After a thorough review of all the unit processes and operational data for the past year, we do not foresee any major maintenance or operational changes for the Desert Crest Wastewater Treatment Plant (Desert Crest WWTP) at this time, however the District is looking into the possibility of decommissioning the plant in the future. The sludge drying beds at the Desert Crest Plant continue to be in operation.

Last year, the Desert Crest WWTP received and treated 15.679103 million gallons of raw wastewater.

The solids produced at the Desert Crest WWTP are hauled to the Horton WWTP and loaded into the trailers with the solids produced at the Horton WWTP. Last year, approximately 10.661 dried tons of sludge was produced at the Desert Crest WWTP. After it was dried, it was transferred to the Horton WWTP for final hauling to Ag Tech LLC in Somerton, Arizona.

The total non-toxic grit and screenings produced was approximately 10 cubic yards. On a weekly basis the grit and screenings are placed in the sludge disposal trailers and hauled to the Ag Tech LLC in Somerton, Arizona.

Desert Crest Wastewater Treatment Plant Maintenance

Last year, the following maintenance activities were completed at the Desert Crest WWTP.

- Staff cleaned and rehabilitated 6 wasting beds, 2 scum beds, and 2 percolation ponds quarterly.
- Staff replaced a valve in the scum line from the east Aeration Tank and replaced piping feeding the headworks due to corrosion.
- Staff replaced the motor on the aeration brush in the east Aeration Tank.
- Staff replaced the aerator inner bearing on the west Aeration Tank.

APPENDICES

Appendix A – List of Acronyms

ACWA – Association Of California Water Agencies

AF – Acre-Foot (1 AF = 325,851 gallons)

AMI – Advanced Metering Infrastructure

CCTV – Closed Circuit Television

CIP – Capital Improvement Program

COP – Certificate Of Participation

CMMS – Computerized Maintenance Management System

CSDA – California Special Districts Association

CVRWMG – Coachella Valley Regional Water Management Group

CVWD – Coachella Valley Water District

DAC – Disadvantaged Community

DWA – Desert Water Agency

DWR – Department of Water Resources

EIR – Environmental Impact Report

EOC – Emergency Operations Center

FEMA – Federal Emergency Management Agency

FOG – Fats, Oils, Grease

FTE – Full-Time Equivalent (number of employees)

FY – Fiscal Year

GAAP – Generally Accepted Accounting Principles

GASB – Government Accounting Standards Board

GFOA – Government Finance Officers Association

GIS – Geographic Information System

- GM** – General Manager
- GPM** – Gallons Per Minute
- GPS** – Global Positioning System
- GQPP** – Groundwater Quality Protection Program
- GSA** – Groundwater Sustainability Agency
- HMP** – Hazard Mitigation Plan
- IRWM** – Integrated Regional Water Management
- IT** – Innovation and Technology
- MCL** – Maximum Contaminant Level
- MGD** – Million Gallons Per Day
- MSWD** – Mission Springs Water District
- SCADA** – Supervisory Control and Data Acquisition
- SCE** – Southern California Edison
- SGMA** – Sustainable Groundwater Management Act
- SNMP** – Salt and Nutrient Management Plan
- SRF** – State Revolving Fund
- SWOT** – Strength, Weakness, Opportunity, Threat
- SWRCB** – State Water Resources Control Board
- TDS** – Total Dissolved Solids
- USGS** – United State Geological Survey
- UWMP** – Urban Water Management Plan
- WDR** – Waste Discharge Requirements
- WWTP** – Wastewater Treatment Plant

Appendix B – Glossary

Accrual Basis of Accounting – The basis of accounting under which transactions are recognized when they occur, regardless of timing of cash receipts and disbursements.

Adopted Budget – The official budget as approved by the Board of Directors at the start of each fiscal year.

Amended Budget – The adopted budget as amended by the Board of Directors through the course of the fiscal year.

Assets – Resources owned or held by the District that have monetary value.

Balanced Budget – A budget in which planned expenditures do not exceed planned funds available.

Board – Comprised of the District’s five elected Directors with a rotating president, collectively acting as the legislative and policy-making body of the District.

Bond – A security whereby an issuer borrows money from an investor and agrees and promises, by written contract, to pay a fixed principal sum on a specified date (maturity date) and at a specified rate of interest.

Budget – A financial plan, for a specified period, of operations that matches all planned revenues and expenditures with the services provided to the residents of the Mission Springs Water District service area.

Capital Budget – A budget which focuses on capital project to implement the Capital Improvement Program.

Capital Expense – An acquisition or an improvement (as distinguished from a repair) that will have a life of more than one year and costs more than \$10,000.

Capital Improvement Program – A plan for the capital improvements to be implemented each year over a number of years to meet capital needs arising from the assessment of long-term needs. It sets forth the estimated cost for each project and specifies the resources required to finance the projected expenditures.

Capital Improvement Project – The budget unit to group activities and costs necessary to implement specific capital improvement and/or acquisition. A project can include the construction, acquisition, expansion, replacement, or rehabilitation of a physical facility or improvement. Project often include planning and design, land acquisition, and project management costs related to such facilities and improvements.

Charges for Services – Revenue from charges for all activities of the District.

Contract Services – The costs related to services performed for the District by individuals, businesses, or utilities.

Debt Service Fund – A fund established to account for the accumulation of resources for, and the payment of, long-term debt principle and interest.

Department – A major organization group of the District with overall management responsibility for an operation or a group of related operations within a functional area.

Division – A major administrative organizational unit of the District with overall management responsibility for one or more activities.

Encumbrance – The commitment of appropriated funds to purchase an item or service.

Expenditures/Expenses – Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which an entity determines its financial position, the results of its operations, and adopts a budget for the coming year. The District’s fiscal year is from July 1 to June 30.

Fixed Assets – Equipment costing \$10,000 or more, including tax, with a useful life longer than one year, and not qualifying as a capital improvement project. Includes automotive equipment, office equipment, office furniture, acquisitions, landscaping improvement, etc.

Fund – An independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves, and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The equity (assets minus liabilities) of governmental fund and fiduciary fund types.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards of, and guidelines for, financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures.

Goals – Broad, general statements of each division’s desired community of organizational outcomes.

Government Accounting Standards Board – The independent organization that establishes and improves standards of accounting and financial reporting for U.S., state, and local governments.

Infrastructure – The accumulated pipelines and storage facilities of the District, including meters, valves, pumps, and other appurtenances.

Interest Earnings – The earnings from available funds invested during the year in U.S. Treasury Bonds, government agencies, and Certificates of Deposit.

Liabilities – Present obligations of the District arising from past events.

Materials and Supplies – Expendable materials and operating supplies necessary to conduct department activity.

Operating Transfer – A transfer of revenues from one fund to another fund.

Operating Budget – The annual budget and process that provides a financial plan for the operation of government and the provision of services for the year; excluded from the operating budget are capital projects, which are determined by a separate, but interrelated process.

Payroll Expenses – Compensation paid to, or on behalf of, District employees for salaries and wages, overtime, and benefits.

Program – An activity or set of activities that provides a particular service to the citizens.

Public Hearing – The portions of open meetings held to present evidence and provide information on both sides of an issue.

Reserve Fund – Prudent fiscal management tools with flexibility to continually adapt to change, ensure continued operational solvency, and preserve adequate levels of services.

Resolution – An order of a legislative body requiring less formality than an ordinance or statute.

Revenue – Moneys that the District receives as income such as payments for water consumption, shared revenues, and interest income.

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1	MISSION SPRINGS WATER DISTRICT - 2023-2024 DEPARTMENTAL BUDGETS																
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1	MISSION SPRINGS WATER DISTRICT - 2022-2023 DEPARTMENTAL BUDGETS (revised 1/9/23)																
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1	MISSION SPRINGS WATER DISTRICT - DEPARTMENTAL BUDGETS COMPARISON																	
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3																		
4																		
5		ORIGINAL 2023-2024					REVISED 2022-2023					Difference						
6		COMBINED DISTRICTS TOTAL FUNDS	OPERATING FUNDS				COMBINED DISTRICTS TOTAL FUNDS	OPERATING FUNDS				COMBINED DISTRICTS TOTAL FUNDS	OPERATING FUNDS					
7			GENERAL DISTRICT	WATER DISTRICT	SEWER DISTRICT	OTHER			GENERAL DISTRICT	WATER DISTRICT	SEWER DISTRICT		OTHER		GENERAL DISTRICT	WATER DISTRICT	SEWER DISTRICT	OTHER
8																		
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10																		
11	OPERATING REVENUES	21,191,788		13,786,420	7,405,368		21,186,424		13,599,636	7,586,788		0.0%	5,364		186,784	(181,420)		
12																		
13	OPERATING EXPENSES:																	
14	CUSTOMER ACCOUNTS	1,559,505	361,953	1,197,552	0		2,096,048	402,036	1,694,012	0		-25.6%	(536,543)	(40,083)	(496,460)			
15	BUILDINGS AND GROUNDS	180,441	180,441	0	0		155,360	155,360	0	0		16.1%	25,081	25,081				
16	VEHICLE MAINTENANCE	655,244	655,244	0	0		488,084	488,084	0	0		34.2%	167,160	167,160				
17	CENTRAL SERVICES	866,638	866,638	0	0		780,891	780,891	0	0		11.0%	85,747	85,747				
18	ADMINISTRATION	2,029,612	2,029,612	0	0		3,250,786	3,250,786	0	0		-37.6%	(1,221,174)	(1,221,174)				
19	INFORMATION TECHNOLOGY	1,060,397	1,060,397	0	0		1,096,512	1,096,512	0	0		-3.3%	(36,115)	(36,115)				
20	BOARD OF DIRECTORS	618,546	618,546	0	0		399,776	399,776	0	0		54.7%	218,770	218,770				
21	PUBLIC AFFAIRS	748,817	571,757	177,060	0		770,665	594,325	176,340	0		-2.8%	(21,848)	(22,568)				
22	HUMAN RESOURCES	434,304	434,304	0	0		382,500	382,500	0	0		13.5%	51,804	51,804				
23	ENGINEERING	1,042,829	952,829	81,000	9,000		1,023,476	940,476	74,000	9,000		1.9%	19,353	12,353	7,000	0		
24	ACCOUNTING	615,316	615,316	0	0		536,796	536,796	0	0		14.6%	78,520	78,520				
25	PUMPING	4,374,202	0	4,374,202	0		3,507,755	0	3,507,755	0		24.7%	866,447	0	866,447			
26	TRANSMISSION AND DISTRIBUTION	2,472,183	0	2,472,183	0		2,327,279	0	2,327,279	0		6.2%	144,904	0	144,904			
27	COLLECTION	720,040	0	0	720,040		512,448	0	0	512,448		40.5%	207,592	0		207,592		
28	TREATMENT	1,827,628	0	0	1,827,628		2,159,312	0	0	2,159,312		-15.4%	(331,684)	0		(331,684)		
29	DISPOSAL	1,212,991	0	0	1,212,991		850,198	0	0	850,198		42.7%	362,793	0		362,793		
30	DEPRECIATION	4,449,600	298,320	2,416,848	1,734,432		4,025,551	275,046	2,069,977	1,680,528		10.5%	424,049	23,274	346,871	53,904		
31	CAPITAL LABOR AND COSTS																	
32	ADMINISTRATIVE COSTS ALLOCATED	(1,124,388)	(8,645,357)	5,255,741	2,265,228		(1,236,444)	(9,302,588)	5,594,696	2,471,448		-9.1%	112,056	657,231	(338,955)	(206,220)		
33	TOTAL OPERATING EXPENSE	23,743,905	0	15,974,586	7,769,319		23,126,993	0	15,444,059	7,682,934		2.7%	616,912	0	530,527	86,385		
34																		
35	NET OPERATING INCOME(LOSS)	(2,552,117)	0	(2,188,166)	(363,951)		(1,940,569)	0	(1,844,423)	(96,146)		31.5%	(611,548)	0	(343,743)	(267,805)		
36																		
37	ADD NON-OPERATING REVENUE:																	
38	CONNECTION FEES	922,659	0	682,659	240,000	0	844,440	0	664,440	180,000	0	9.3%	78,219	0	18,219	60,000	0	
39	PROPERTY TAXES	2,263,200	795,600	914,400	553,200	0	2,099,989	968,640	708,996	422,353	0	7.8%	163,211	(173,040)	205,404	130,847	0	
40	SOLAR CREDITS	250,000	250,000	0	0	0	225,000	0	90,000	135,000	0	11.1%	25,000	250,000	(90,000)	(135,000)	0	
41	SITE RENTALS	100,800	0	100,800	0	0	77,352	0	77,352	0	0	30.3%	23,448	0	23,448	0	0	
42	INTEREST INCOME	1,187,472	332,600	394,600	242,100	218,172	574,959	68,511	78,696	88,884	338,868	106.5%	612,513	264,089	315,904	153,216	(120,696)	
43	UNREALIZED GAINS/LOSSES	101,700	36,000	52,500	13,200	0	(311,964)	(54,240)	(128,880)	(128,844)	0	-132.6%	413,664	90,240	181,380	142,044	0	
44	FRONT FOOTAGE FEES	0	0	0	0	0	0	0	0	0	0	0.0%	0	0	0	0	0	
45	GRANT	69,850,000	0	300,000	69,550,000	0	42,849,311	0	5,324,709	37,524,602	0	63.0%	27,000,689	0	(5,024,709)	32,025,398	0	
46																		
47	LESS INTEREST & DEBT SERVICE EXPENSE:																	
48	INTEREST	(841,129)	0	(960)	0	(840,169)	(226,358)	0	0	0	(226,358)	271.6%	(614,771)	0	(960)	0	(613,811)	
49	DEBT SERVICE CHARGES	0	0	0	0	0	(184,008)	0	(92,004)	(92,004)	0	0.0%	184,008	0	92,004	92,004	0	
50																		
51	NET INCOME(LOSS)	71,282,585	1,414,200	255,833	70,234,549	(621,997)	44,008,152	982,911	4,878,886	38,033,845	112,510	62.0%	27,274,433	431,289	(4,623,053)	32,200,704	(734,507)	

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1	Mission Springs Water District										Item 5.
2	Capital Budget and Continuing Appropriations										
3	2024										
4									Final Capital		
5				Interim	Continuing	Projects	Projects proposed	and Continuing	Funds Expended		
6			As of 6/30/22	Additions/ Transfers	Appropriations from 2022/2023 Budget	expected to close by 6/30/23	to be added to 2023/2024 budget	Appropriations 2023/2024	Through 4/30/2023	Fund in 2023/ 2024	
7		<u>DESCRIPTION</u>	<u>JOB #</u>	<u>BUDGET</u>							
9		Sewer line Encasement I-10 Crossing @ Indian	10371	251,972	-	251,972	-	251,972	251,972	251,972	-
10		Water Infrastructure Site-H Falls & C Vintage	10681	1,000	-	1,000	(1,000)	-	1,000	-	-
11		1240Z Trans Line Quail/Terrace	10747	447,995	-	447,995	(447,995)	-	447,995	-	-
12		4 MG Reservoir @ Gateway	10799	176,699	-	176,699	(176,699)	-	176,699	-	-
13		Reservoir @ 1400' Zone	10966	25,432	-	25,432	(25,432)	-	25,432	-	-
14		Prelim Des/Eng Horton WWTP Exp #5	10969	171,703	-	171,703	-	171,703	171,703	-	-
15		Final Design Horton WWTP Exp #5	11032	940,340	-	940,340	-	940,340	940,340	-	-
16		Well #38 Design & Environmental	11076	375,000	-	375,000	-	375,000	366,443	-	-
17		Horton WWTP Expansion #5	11087	13,404,000	-	13,404,000	-	13,404,000	152,616	-	-
18		EIR Horton WWTP Expansion #5	11088	71,416	-	71,416	-	71,416	71,416	-	-
19		Well # 42 (near to existing well # 22)	11147	4,600,000	-	4,600,000	-	4,600,000	2,389,223	1,510,777	-
20		Land 29 acres Phil Kerr	11151	159,062	-	159,062	(159,062)	-	159,062	-	-
21		1530 ZONE Redbud tank #2 Land and Const	11159	80,000	-	80,000	-	80,000	70,708	9,292	-
22		I-10 & Indian Sewer Collection System	11205	602,000	-	602,000	-	50,000	594,668	57,332	-
23		Well & Booster SCADA enhancement	11392	30,000	-	30,000	(30,000)	-	29,207	-	-
24		Regional Wastewater Treatment Plant	11424	51,000,000	-	51,000,000	-	51,000,000	30,998,785	20,001,215	-
25		Area M-2 (AD #15)	11425	10,250,000	-	10,250,000	-	1,200,000	630,132	10,819,868	-
26		Conveyance line from LS to RWWTP	11426	8,300,000	-	8,300,000	-	8,300,000	1,042,124	7,257,876	-
27		Chromium 6 Compliance Study	11451	200,000	-	200,000	-	200,000	14,489	185,511	-
28		HWWTP Infl. Pup Station Odor Control	11456	730,000	-	730,000	-	730,000	647,255	82,745	-
29		Desert Willows Water Line Replacement	11457	1,990,000	-	1,990,000	(1,990,000)	-	1,566,584	-	-
30		Well 29 Chromium 6 Treatment design	11460	200,000	-	200,000	-	200,000	-	200,000	-
31		Area J-2	11472	300,000	-	300,000	-	300,000	293,854	6,146	-
32		HWWTP ASU Demolition	11556	167,275	-	167,275	-	167,275	45,077	122,198	-
33		HWWTP Percolation Ponds (2)	11557	380,000	-	380,000	-	380,000	350,214	29,786	-
34		Designing & Engineering Areas H & I	11566	460,000	-	460,000	-	460,000	330,225	129,775	-
35		Block Wall at Corp Yard and Wastewater Facility	11598	155,000	-	155,000	-	155,000	1,452	153,548	-
36		Block Wall/Fence at Terrace Reservoir	11599	226,288	-	226,288	-	226,288	25,948	200,340	-
37		Booster Pump Rehab Program	11600	150,000	-	150,000	-	150,000	69,485	80,515	-
38		Modular Enclosure-Chlorine Equipment/Well Sites	11601	124,180	-	124,180	-	124,180	86,162	38,018	-
39		Electrical Panel/Motor Rehab (3 sites)	11602	633,404	-	633,404	(741,404)	108,000	741,404	-	-
40		Pavement repairs - corp yard	11604	345,575	-	345,575	-	345,575	43,757	301,818	-
41		Terrace Reservoir No. 1	11607	754,343	-	754,343	-	754,343	30,668	3,675	-
42		Terrace Reservoir No. 2	11608	814,461	-	814,461	-	814,461	32,375	42,086	-
43		Terrace Reservoir No. 3	11609	361,363	-	361,363	-	361,363	30,883	40,480	-
44		Vista Reservoir Rehabilitation	11610	975,427	-	975,427	-	975,427	125,979	429,448	-
45		Well Rehabilitation Program - Well 22	11611	660,000	-	660,000	-	900,000	231,781	1,328,219	-
46		HWWTP Above Ground Piping & Appurtenance Rehab	11613	150,000	-	150,000	-	150,000	344	9,656	-
47		HWWTP SCADA Upgrades	11617	129,008	-	129,008	-	129,008	35,002	94,006	-
48		Design & Engineering for Areas A & G	11618	1,600,000	-	1,600,000	-	1,600,000	500,882	1,099,118	-
49		Admin Building	11621	33,300,000	-	33,300,000	-	33,300,000	1,497,333	31,802,667	-
50		2020 Water CIP Pipeline Replacement	11622	2,264,975	-	2,264,975	-	2,264,975	275,189	1,989,786	-

	B	C	D	E	F	G	H	I	J	K	
1	Mission Springs Water District										Item 5.
2	Capital Budget and Continuing Appropriations										
3	2024										
4									Final Capital		
5				Interim	Continuing	Projects	Projects proposed	and Continuing	Funds Expended		
6			As of 6/30/22	Additions/ Transfers	Appropriations from	expected to close	to be added to	Appropriations	Through	Fund in 2023/	
7		<u>DESCRIPTION</u>	<u>JOB #</u>	<u>BUDGET</u>	<u>2022/2023 Budget</u>	<u>by 6/30/23</u>	<u>2023/2024 budget</u>	<u>2023/2024</u>	<u>4/30/2023</u>	<u>2024</u>	
51		Sewer System Collections	11657	750,000	-	750,000	-	750,000	557,127	192,873	
52		Horton North Building Improvements	11661	150,000	-	150,000	(157,000)	7,000	147,803	-	
53		Well and Reservoir Sites Security Cameras	11665	225,075	-	225,075	-	225,075	2,367	222,708	
54		Emergency Backup Generator Well 27/31	11666	411,002	-	411,002	-	411,002	15,836	395,166	
55		Emergency Backup Generator Well 32	11667	300,331	-	300,331	-	300,331	16,101	284,230	
56		Emergency Backup Generator Well 37	11668	300,331	-	300,331	-	300,331	16,131	284,200	
57		Filtration for HWWTP	11689	1,500,000	-	1,500,000	-	1,500,000	108,918	391,082	
58		GQPP Area D3-1 Sewer Design	11693	156,000	-	156,000	-	156,000	8,841	147,159	
59		Portable Booster/Transfer Pump	11716	180,000	-	180,000	-	180,000	-	180,000	
60		Trailer Mounted Portable Generators	11717	537,375	-	537,375	-	537,375	-	537,375	
61		Potable Water Truck	11718	178,000	-	178,000	(178,000)	-	26,938	-	
62		Reservoir Rehabilitation Program Design FY 2022	11719	120,000	-	120,000	-	120,000	-	120,000	
63		Well Rehabilitation Program Design FY 2022	11720	120,000	-	120,000	-	120,000	53,528	66,472	
64		Supplemental Environmental Project	11732	-	-	-	-	300,000	-	300,000	
65		Administration Office Repairs (Drywall and Painting)	11733	-	135,000	135,000	-	135,000	35,339	99,661	
66		Pierson Boulevard Slurry Seal Project	11737	-	183,000	183,000	-	183,000	-	183,000	
67		Riverside Co. Mountain View Resurfacing Project	11738	-	33,000	33,000	-	33,000	-	33,000	
68		Well 35 Equipment Installation	11741	-	2,700,000	2,700,000	-	2,700,000	14,227	2,685,773	
69		Well 34 Rehabilitation	11742	-	475,000	475,000	-	475,000	10,003	464,997	
70		Well 34/35 Intertie	11743	-	1,100,000	1,100,000	-	1,100,000	-	1,100,000	
71		New 2022 John Deer 310 backhoe	11760	156,000	-	156,000	(156,000)	-	141,448	-	
72		2022 Ford F-650 Diesel Dump truck	11761	129,000	-	129,000	(129,000)	-	29,734	-	
73		New 2022 Harlo forklift	11762	117,000	-	117,000	(117,000)	-	105,326	-	
74		19th - 20th Ave & Little Morongo Roadway Project	11769	-	309,000	309,000	-	309,000	22,232	286,768	
75		John Deere 3032E Compact Utility Tractor	NEW1	-	-	-	-	32,000	-	32,000	
76		Muffin Monster 6-inch Inline Grinder	NEW2	-	-	-	-	15,100	-	15,100	
77		New Wachs ERV-750 Valve machine	NEW3	-	-	-	-	42,000	-	42,000	
78		2024 - New Meters 3/4" - 2"	NEW4	-	-	-	-	350,000	-	350,000	
79		ERP System Replacements	NEW5	-	-	-	-	1,710,000	-	1,710,000	
80											
81		TOTALS		143,288,032	4,935,000	148,223,032	-4,308,592	4,714,100	148,628,540	46,807,766	87,149,465
82											
83		General Improvements		16,554,039					General Improvements		34,067,694
85		Water Improvements		13,791,295					Water Improvements		12,293,836
86		Water Vehicle		580,000					Water Vehicle		-
87		Sewer Improvements		56,835,060					Sewer Improvements		40,455,935
88		Sewer Vehicle		-					Sewer Vehicle		32,000
89		Total:		87,760,394					Total:		86,849,465
90											
91		Projects Expected to Occur in 2022 / 2023		87,760,394					Projects Expected to Occur in 2023 / 2024		87,149,465
92		Grant / AD Funds related to Projects		(25,097,529)					Grant / AD Funds related to Projects		(70,850,000)
93		Loan proceeds		(33,898,560)					Loan proceeds		(16,2
94		Expected net cash outflow (MSWD)		28,764,305					Expected net cash outflow (MSWD)		123
95		Actual Expensed:		26,923,295							

	A	B	C	D	E	F	G	H	I	J
1										
2	Mission Springs Water District									
3	Functional Expense Budget - 2024									
4										
5						Budget		Budget		
6						2024		2023		Difference
7	REVENUES									
8		Base service charge				\$ 2,924,400		\$ 2,886,840		\$ 37,560
9		Water consumption				9,200,400		9,171,804		28,596
10		Meter installations				122,520		73,800		48,720
11		Sewer service				7,388,400		7,570,000		(181,600)
12		Other operating revenue				1,656,932		1,456,716		200,216
13		Backup and front footage fees				922,659		844,440		78,219
14		Property taxes				2,263,200		2,099,989		163,211
15		Standby charges				245,916		248,244		(2,328)
16		Fats, oils & grease fees				4,020		4,020		-
17		Investment income (net)				1,289,172		262,995		1,026,177
18		Grants				69,850,000		42,849,311		27,000,689
19			Total revenues			\$ 95,867,619		\$ 67,468,159		\$ 28,399,460
20										
21	EXPENSES									
22		Salaries and wages				\$ 5,004,711		\$ 4,795,173		\$ 209,538
23		Employee benefits				990,364		928,302		62,062
24		Fringe benefits				2,668,262		2,686,731		(18,469)
25		Materials and supplies				2,403,810		1,926,622		477,188
26		Outside services				4,937,125		4,305,731		631,394
27		Ground water replenishment fees				(145,944)		(130,668)		(15,276)
28		Utilities				2,363,631		2,039,999		323,632
29		Directors' fees				60,000		60,000		-
30		Engineering				66,000		42,000		24,000
31		Insurance				210,100		191,040		19,060
32		Audit				60,000		66,000		(6,000)
33		Rate study				96,000		72,000		24,000
34		Legal				504,000		865,000		(361,000)
35		Fixed Assets				771,014		2,051,157		(1,280,143)
36		Depreciation				4,449,600		4,025,551		424,049
37		Interest				841,129		226,358		614,771
38		Standby reports				16,300		19,380		(3,080)
39		Dues and subscriptions				78,402		68,907		9,495
40		Training and conferences				259,558		254,152		5,406
41		Amortization and cost of debt issuance				0		184,008		(184,008)
42		Ground water management				20,000		20,000		-
43		Other expenses				55,360		76,360		(21,000)
44			Subtotal			25,709,422		24,773,803		935,619
45		General District Allocation				(1,124,388)		(1,236,444)		112,056
46			Total expenses			\$ 24,585,034		\$ 23,537,359		\$ 1,047,675
47										
48	NET OPERATING INCOME(LOSS)					\$ 71,282,585		\$ 43,930,800		\$ 27,351,785
49										
50	CAPITAL IMPROVEMENTS					\$ 86,817,465		\$ 63,362,033		\$ 23,455,432
51	VEHICLES AND EQUIPMENT					\$ 32,000		\$ 307,000		\$ (275,000)

	A	B	C	D	E	F	G	H	I	J	K
1											
2	Mission Springs Water District										
3	Functional Expense Budget - 2024										
4											
5							Budget		Budget		
6							2024		2023		Difference
7	OPERATING REVENUES										
8		Base service charge					2,924,400		2,886,840		\$ 37,560
9		Water consumption					9,200,400		9,171,804		28,596
10		Meter installations					122,520		73,800		48,720
11		Sewer service					7,388,400		7,570,000		(181,600)
12		Other operating revenue					1,406,932		1,231,716		175,216
13		Standby charges					245,916		248,244		(2,328)
14		Fats, oils & grease fees					4,020		4,020		-
15		Total operating revenues					21,292,588		21,186,424		106,164
16											
17	OPERATING EXPENSES										
18		Salaries and wages					5,004,711		4,795,173		209,538
19		Employee benefits					990,364		928,302		62,062
20		Fringe benefits					2,668,262		2,686,731		(18,469)
21		Materials and supplies					2,403,810		1,926,622		477,188
22		Outside services					4,937,125		4,305,731		631,394
23		Ground water replenishment fees					(145,944)		(130,668)		(15,276)
24		Utilities					2,363,631		2,039,999		323,632
25		Directors' fees					60,000		60,000		-
26		Engineering					66,000		42,000		24,000
27		Insurance					210,100		191,040		19,060
28		Audit					60,000		66,000		(6,000)
29		Long range financial plan					96,000		72,000		24,000
30		Legal					504,000		865,000		(361,000)
31		Fixed Assets					771,014		2,051,157		(1,280,143)
32		Depreciation					4,449,600		4,025,551		424,049
33		Standby reports					16,300		19,380		(3,080)
34		Dues and subscriptions					78,402		68,907		9,495
35		Training and conferences					259,558		254,152		5,406
36		Ground water management					20,000		20,000		-
37		Other expenses					55,360		76,360		(21,000)
38		General District Allocation					(1,124,388)		(1,236,444)		112,056
39		Total operating expenses					23,743,905		23,126,993		616,912
40											
41	NET OPERATING INCOME(LOSS)						(2,451,317)		(1,940,569)		(510,748)
42											
43	NON-OPERATING REVENUE/(EXPENSE)										
44		Backup and front footage fees					922,659		844,440		78,219
45		Property taxes					2,263,200		2,099,989		163,211
46		Solar credits					250,000		225,000		
47		Investment income (net)					1,289,172		900,495		388,677
48		Grants					69,850,000		42,849,311		27,000,689
49		Cost of debt issuance					0		(184,008)		184,008
50		Interest					(841,129)		(863,858)		22,729
51		Total non-operating revenue/(expense)					73,733,902		45,871,369		27,837,533
52											
53	NET INCOME						71,282,585		43,930,800		27,326,785

	A	B	C	D	E	F	G	H	I	J	K
1											
2	Mission Springs Water District										
3	Functional Expense Budget - 2024										
4											
5							Budget		Budget		
6							2024		2023		Difference
54											
55	CAPITAL IMPROVEMENTS						86,817,465		63,362,033		23,455,432
56	VEHICLES AND EQUIPMENT						32,000		307,000		(275,000)

A	B	C
1	MISSION SPRINGS WATER DISTRICT	
2	PROPOSED CLASSIFICATION PLAN 2023-2024	
3	PROPOSED	
4		
5		Funded
6		FTEs
7		
8	EXECUTIVE	
9	General Manager & Chief Engineer	1
10	Executive Assistant	1
11		
12	ADMINISTRATION	
13	Assistant General Manager	1
14	Government and Public Affairs Manager	1
15	Human Resources Manager	1
16	Office Specialist II	1
17		4
18	Innovation & Technology:	
19	Innovation & Technology Manager	1
20	GIS Specialist	1
21		2
22	Engineering:	
23	Engineering Manager	1
24	Associate Engineer	1
25	Engineering Technician II	2
26	Office Specialist II	1
27		5
28	FINANCE	
29	Director of Finance	1
30	Office Specialist II	1
31		2
32	Accounting:	
33	Accounting Manager	1
34	Accountant	1
35	Accounting Technician	1
36	Purchasing and Warehouse Specialist	1
37		4
38	Service:	
39	Customer Service Manager	1
40	Senior Customer Service Representative	1
41	Customer Service Representative I/II	2
42	Lead Field Service Representative	1
43	Field Service Representative II/Backflow Specialist	1
44	Field Service Representative I/II	2
45		8
46	OPERATIONS	
47	Director of Operations	1
48		
49	Field Operations:	
50	Administrative Assistant II	1
51		
52	Construction & Maintenance:	
53	Field Operations Superintendent	1
54	Lead Facilities Maintenance Worker	1
55	Lead Field Operations Technician	2
56	Field Operations Technician I/II	7
57		11
58	Water Production:	
59	Water Production Supervisor	1
60	Water Prod. Operator I/II	3
61		4
62	Wastewater Treatment:	
63	Chief Plant Operator	1
64	Lead WWTP Operator	1
65	WWTP Operator I/II	5
66		7
67	Wastewater Collections:	
68	Lead Collections System Operator	1
69	Collections System Operator I/II	1
70		2
71		
72	TOTAL BUDGETED FTEs	53

MISSION SPRINGS WATER DISTRICT



Effective July 1, 2023
 Adopted by the Board as of June _____, 2023
 Resolution #2023-_____

	Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	Step E1	Step F	
	31	\$196,144.00 16,345.33 94.30	\$201,052.80 16,754.40 96.66	\$206,086.40 17,173.87 99.08	\$211,244.80 17,603.73 101.56	\$216,528.00 18,044.00 104.10	\$221,936.00 18,494.67 106.70	\$227,489.60 18,957.47 109.37	\$233,168.00 19,430.67 112.10	\$238,992.00 19,916.00 114.90	\$244,961.60 20,413.47 117.77	\$251,076.80 20,923.07 120.71	Annual Month \$/Hr.
	30	\$186,700.80 15,558.40 89.76	\$191,360.00 15,946.67 92.00	\$196,144.00 16,345.33 94.30	\$201,052.80 16,754.40 96.66	\$206,086.40 17,173.87 99.08	\$211,244.80 17,603.73 101.56	\$216,528.00 18,044.00 104.10	\$221,936.00 18,494.67 106.70	\$227,489.60 18,957.47 109.37	\$233,168.00 19,430.67 112.10	\$238,992.00 19,916.00 114.90	Annual Month \$/Hr.
Assistant General Manager (1)	29	\$177,694.40 14,807.87 85.43	\$182,145.60 15,178.80 87.57	\$186,700.80 15,558.40 89.76	\$191,360.00 15,946.67 92.00	\$196,144.00 16,345.33 94.30	\$201,052.80 16,754.40 96.66	\$206,086.40 17,173.87 99.08	\$211,244.80 17,603.73 101.56	\$216,528.00 18,044.00 104.10	\$221,936.00 18,494.67 106.70	\$227,489.60 18,957.47 109.37	Annual Month \$/Hr.
	28	\$169,145.60 14,095.47 81.32	\$173,368.00 14,447.33 83.35	\$177,694.40 14,807.87 85.43	\$182,145.60 15,178.80 87.57	\$186,700.80 15,558.40 89.76	\$191,360.00 15,946.67 92.00	\$196,144.00 16,345.33 94.30	\$201,052.80 16,754.40 96.66	\$206,086.40 17,173.87 99.08	\$211,244.80 17,603.73 101.56	\$216,528.00 18,044.00 104.10	Annual Month \$/Hr.
Director of Finance (1)	27	\$160,992.00 13,416.00 77.40	\$165,027.20 13,752.27 79.34	\$169,145.60 14,095.47 81.32	\$173,368.00 14,447.33 83.35	\$177,694.40 14,807.87 85.43	\$182,145.60 15,178.80 87.57	\$186,700.80 15,558.40 89.76	\$191,360.00 16,345.33 94.30	\$196,144.00 16,754.40 96.66	\$201,052.80 17,173.87 99.08	\$206,086.40 17,603.73 101.56	Annual Month \$/Hr.
Director of Operations (1)	26	\$153,233.60 12,769.47 73.67	\$157,060.80 13,088.40 75.51	\$160,992.00 13,416.00 77.40	\$165,027.20 13,752.27 79.34	\$169,145.60 14,095.47 81.32	\$173,368.00 14,447.33 83.35	\$177,694.40 14,807.87 85.43	\$182,145.60 15,178.80 87.57	\$186,700.80 15,558.40 89.76	\$191,360.00 15,946.67 92.00	\$196,144.00 16,345.33 94.30	Annual Month \$/Hr.
	25	\$145,849.60 12,154.13 70.12	\$149,489.60 12,457.47 71.87	\$153,233.60 12,769.47 73.67	\$157,060.80 13,088.40 75.51	\$160,992.00 13,416.00 77.40	\$165,027.20 13,752.27 79.34	\$169,145.60 14,095.47 81.32	\$173,368.00 14,447.33 83.35	\$177,694.40 14,807.87 85.43	\$182,145.60 15,178.80 87.57	\$186,700.80 15,558.40 89.76	Annual Month \$/Hr.
Engineering Manager (1)	24	\$138,819.20 11,568.27 66.74	\$142,292.80 11,857.73 68.41	\$145,849.60 12,154.13 70.12	\$149,489.60 12,457.47 71.87	\$153,233.60 12,769.47 73.67	\$157,060.80 13,088.40 75.51	\$160,992.00 13,416.00 77.40	\$165,027.20 13,752.27 79.34	\$169,145.60 14,095.47 81.32	\$173,368.00 14,447.33 83.35	\$177,694.40 14,807.87 85.43	Annual Month \$/Hr.
	23	\$132,121.60 11,010.13 63.52	\$135,428.80 11,285.73 65.11	\$138,819.20 11,568.27 66.74	\$142,292.80 11,857.73 68.41	\$145,849.60 12,154.13 70.12	\$149,489.60 12,457.47 71.87	\$153,233.60 12,769.47 73.67	\$157,060.80 13,088.40 75.51	\$160,992.00 13,416.00 77.40	\$165,027.20 13,752.27 79.34	\$169,145.60 14,095.47 81.32	Annual Month \$/Hr.
Government & Public Affairs Manager (1) Human Resources Manager (1) Innovation & Technology Manager (1)	22	\$125,756.80 10,479.73 60.46	\$128,897.60 10,741.47 61.97	\$132,121.60 11,010.13 63.52	\$135,428.80 11,285.73 65.11	\$138,819.20 11,568.27 66.74	\$142,292.80 11,857.73 68.41	\$145,849.60 12,154.13 70.12	\$149,489.60 12,457.47 71.87	\$153,233.60 12,769.47 73.67	\$157,060.80 13,088.40 75.51	\$160,992.00 13,416.00 77.40	Annual Month \$/Hr.
	21	\$119,704.00 9,975.33 57.55	\$122,699.20 10,224.93 58.99	\$125,756.80 10,479.73 60.46	\$128,897.60 10,741.47 61.97	\$132,121.60 11,010.13 63.52	\$135,428.80 11,285.73 65.11	\$138,819.20 11,568.27 66.74	\$142,292.80 11,857.73 68.41	\$145,849.60 12,154.13 70.12	\$149,489.60 12,457.47 71.87	\$153,233.60 12,769.47 73.67	Annual Month \$/Hr.
Accounting Manager (1)	20	\$113,942.40 9,495.20 54.78	\$116,792.00 9,732.67 56.15	\$119,704.00 9,975.33 57.55	\$122,699.20 10,224.93 58.99	\$125,756.80 10,479.73 60.46	\$128,897.60 10,741.47 61.97	\$132,121.60 11,010.13 63.52	\$135,428.80 11,285.73 65.11	\$138,819.20 11,568.27 66.74	\$142,292.80 11,857.73 68.41	\$145,849.60 12,154.13 70.12	Annual Month \$/Hr.
Chief Plant Operator (1) Field Operations Superintendent (1)	19	\$108,451.20 9,037.60 52.14	\$111,155.20 9,262.93 53.44	\$113,942.40 9,495.20 54.78	\$116,792.00 9,732.67 56.15	\$119,704.00 9,975.33 57.55	\$122,699.20 10,224.93 58.99	\$125,756.80 10,479.73 60.46	\$128,897.60 10,741.47 61.97	\$132,121.60 11,010.13 63.52	\$135,428.80 11,285.73 65.11	\$138,819.20 11,568.27 66.74	Annual Month \$/Hr.
Associate Engineer (1)	18	\$103,230.40 8,602.53 49.63	\$105,809.60 8,817.47 50.87	\$108,451.20 9,037.60 52.14	\$111,155.20 9,262.93 53.44	\$113,942.40 9,495.20 54.78	\$116,792.00 9,732.67 56.15	\$119,704.00 9,975.33 57.55	\$122,699.20 10,224.93 58.99	\$125,756.80 10,479.73 60.46	\$128,897.60 10,741.47 61.97	\$132,121.60 11,010.13 63.52	Annual Month \$/Hr.
Customer Service Manager (1)	17	\$ 98,259.20 8,188.27 47.24	\$100,713.60 8,392.80 48.42	\$103,230.40 8,602.53 49.63	\$105,809.60 8,817.47 50.87	\$108,451.20 9,037.60 52.14	\$111,155.20 9,262.93 53.44	\$113,942.40 9,495.20 54.78	\$116,792.00 9,732.67 56.15	\$119,704.00 9,975.33 57.55	\$122,699.20 10,224.93 58.99	\$125,756.80 10,479.73 60.46	Annual Month \$/Hr.
Water Production Supervisor (1)	16	\$ 93,537.60 7,794.80 44.97	\$ 95,867.20 7,988.93 46.09	\$ 98,259.20 8,188.27 47.24	\$100,713.60 8,392.80 48.42	\$103,230.40 8,602.53 49.63	\$105,809.60 8,817.47 50.87	\$108,451.20 9,037.60 52.14	\$111,155.20 9,262.93 53.44	\$113,942.40 9,495.20 54.78	\$116,792.00 9,732.67 56.15	\$119,704.00 9,975.33 57.55	Annual Month \$/Hr.
Executive Assistant (1) Lead WWTP0 (1)	15	\$ 89,024.00 7,418.67 42.80	\$ 91,249.60 7,604.13 43.87	\$ 93,537.60 7,794.80 44.97	\$ 95,867.20 7,988.93 46.09	\$ 98,259.20 8,188.27 47.24	\$100,713.60 8,392.80 48.42	\$103,230.40 8,602.53 49.63	\$105,809.60 8,817.47 50.87	\$108,451.20 9,037.60 52.14	\$111,155.20 9,262.93 53.44	\$113,942.40 9,495.20 54.78	Annual Month \$/Hr.
GIS Specialist (1)	14	\$ 84,739.20 7,061.60 40.74	\$ 86,860.80 7,238.40 41.76	\$ 89,024.00 7,418.67 42.80	\$ 91,249.60 7,604.13 43.87	\$ 93,537.60 7,794.80 44.97	\$ 95,867.20 7,988.93 46.09	\$ 98,259.20 8,188.27 47.24	\$100,713.60 8,392.80 48.42	\$103,230.40 8,602.53 49.63	\$105,809.60 8,817.47 50.87	\$108,451.20 9,037.60 52.14	Annual Month \$/Hr.
	13	\$ 80,662.40 6,721.87 38.78	\$ 82,680.00 6,890.00 39.75	\$ 84,739.20 7,061.60 40.74	\$ 86,860.80 7,238.40 41.76	\$ 89,024.00 7,418.67 42.80	\$ 91,249.60 7,604.13 43.87	\$ 93,537.60 7,794.80 44.97	\$ 95,867.20 7,988.93 46.09	\$ 98,259.20 8,188.27 47.24	\$100,713.60 8,392.80 48.42	\$103,230.40 8,602.53 49.63	Annual Month \$/Hr.
Accountant (1) Lead Facilities Maintenance Worker (1) Lead Field Operations Technician (2)	12	\$ 76,772.80 6,397.73 36.91	\$ 78,686.40 6,557.20 37.83	\$ 80,662.40 6,721.87 38.78	\$ 82,680.00 6,890.00 39.75	\$ 84,739.20 7,061.60 40.74	\$ 86,860.80 7,238.40 41.76	\$ 89,024.00 7,418.67 42.80	\$ 91,249.60 7,604.13 43.87	\$ 93,537.60 7,794.80 44.97	\$ 95,867.20 7,988.93 46.09	\$ 98,259.20 8,188.27 47.24	Annual Month \$/Hr.
Lead Collections System Operator WWTP0 II (3) Lead Field Services Rep. (1)	11	\$ 73,070.40 6,089.20 35.13	\$ 74,900.80 6,241.73 36.01	\$ 76,772.80 6,397.73 36.91	\$ 78,686.40 6,557.20 37.83	\$ 80,662.40 6,721.87 38.78	\$ 82,680.00 6,890.00 39.75	\$ 84,739.20 7,061.60 40.74	\$ 86,860.80 7,238.40 41.76	\$ 89,024.00 7,418.67 42.80	\$ 91,249.60 7,604.13 43.87	\$ 93,537.60 7,794.80 44.97	Annual Month \$/Hr.
Engineering Technician II (2) Water Production Operator II (2)	10	\$ 69,534.40 5,794.53 33.43	\$ 71,281.60 5,940.13 34.27	\$ 73,070.40 6,089.20 35.13	\$ 74,900.80 6,241.73 36.01	\$ 76,772.80 6,397.73 36.91	\$ 78,686.40 6,557.20 37.83	\$ 80,662.40 6,721.87 38.78	\$ 82,680.00 6,890.00 39.75	\$ 84,739.20 7,061.60 40.74	\$ 86,860.80 7,238.40 41.76	\$ 89,024.00 7,418.67 42.80	Annual Month \$/Hr.
Administrative Assistant (1); WWTP0 I (2) Collections System Operator II (2) Field Operations Technician II (3)	9	\$ 66,164.80 5,513.73 31.81	\$ 67,828.80 5,652.40 32.61	\$ 69,534.40 5,794.53 33.43	\$ 71,281.60 5,940.13 34.27	\$ 73,070.40 6,089.20 35.13	\$ 74,900.80 6,241.73 36.01	\$ 76,772.80 6,397.73 36.91	\$ 78,686.40 6,557.20 37.83	\$ 80,662.40 6,721.87 38.78	\$ 82,680.00 6,890.00 39.75	\$ 84,739.20 7,061.60 40.74	Annual Month \$/Hr.
Accounting Technician (1); Engineering Technician I Sr. Customer Service Rep (1); Water Production Op I (2) Field Services Rep. III/Backflow Specialist (1)	8	\$ 62,961.60 5,246.80 30.27	\$ 64,542.40 5,378.53 31.03	\$ 66,164.80 5,513.73 31.81	\$ 67,828.80 5,652.40 32.61	\$ 69,534.40 5,794.53 33.43	\$ 71,281.60 5,940.13 34.27	\$ 73,070.40 6,089.20 35.13	\$ 74,900.80 6,241.73 36.01	\$ 76,772.80 6,397.73 36.91	\$ 78,686.40 6,557.20 37.83	\$ 80,662.40 6,721.87 38.78	Annual Month \$/Hr.
Field Operations Technician I (4); Field Service Rep. II (1) Collections System Operator I; Admin. Assistant I Purchasing and Warehouse Specialist (1)	7	\$ 59,924.80 4,993.73 28.81	\$ 61,422.40 5,118.53 29.53	\$ 62,961.60 5,246.80 30.27	\$ 64,542.40 5,378.53 31.03	\$ 66,164.80 5,513.73 31.81	\$ 67,828.80 5,652.40 32.61	\$ 69,534.40 5,794.53 33.43	\$ 71,281.60 5,940.13 34.27	\$ 73,070.40 6,089.20 35.13	\$ 74,900.80 6,241.73 36.01	\$ 76,772.80 6,397.73 36.91	Annual Month \$/Hr.
W.W. Operator Trainee	6	\$ 57,033.60 4,752.80 27.42	\$ 58,468.80 4,872.40 28.11	\$ 59,924.80 4,993.73 28.81	\$ 61,422.40 5,118.53 29.53	\$ 62,961.60 5,246.80 30.27	\$ 64,542.40 5,378.53 31.03	\$ 66,164.80 5,513.73 31.81	\$ 67,828.80 5,652.40 32.61	\$ 69,534.40 5,794.53 33.43	\$ 71,281.60 5,940.13 34.27	\$ 73,070.40 6,089.20 35.13	Annual Month \$/Hr.
Field Service Rep. I (1) Customer Service Rep II (2)	5	\$ 54,288.00 4,524.00 26.10	\$ 55,640.00 4,636.67 26.75	\$ 57,033.60 4,752.80 28.11	\$ 58,468.80 4,872.40 28.81	\$ 59,924.80 4,993.73 29.53	\$ 61,422.40 5,118.53 29.53	\$ 62,961.60 5,246.80 30.27	\$ 64,542.40 5,378.53 31.03	\$ 66,164.80 5,513.73 31.81	\$ 67,828.80 5,652.40 32.61	\$ 69,534.40 5,794.53 33.43	Annual Month \$/Hr.
Office Specialist II (3)	4	\$ 51,667.20 4,305.60 24.84	\$ 52,956.80 4,413.07 25.46	\$ 54,288.00 4,524.00 26.10	\$ 55,640.00 4,636.67 26.75	\$ 57,033.60 4,752.80 28.11	\$ 58,468.80 4,872.40 28.81	\$ 59,924.80 4,993.73 29.53	\$ 61,422.40 5,118.53 29.53	\$ 62,961.60 5,246.80 30.27	\$ 64,542.40 5,378.53 31.03	\$ 66,164.80 5,513.73 31.81	Annual Month \$/Hr.
Customer Service Rep. I	3	\$ 49,171.20 4,097.60 23.64	\$ 50,398.40 4,199.87 24.23	\$ 51,667.20 4,305.60 24.84	\$ 52,956.80 4,413.07 25.46	\$ 54,288.00 4,524.00 26.10	\$ 55,640.00 4,636.67 26.75	\$ 57,033.60 4,752.80 28.11	\$ 58,468.80 4,872.40 28.81	\$ 59,924.80 4,993.73 29.53	\$ 61,422.40 5,118.53 29.53	\$ 62,961.60 5,246.80 30.27	Annual Month \$/Hr.