



Annual Comprehensive Financial Report

For the Fiscal Year ended
June 30, 2024

Elsinore Valley Municipal Water District
Lake Elsinore, California

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ELSINORE VALLEY MUNICIPAL WATER DISTRICT

Lake Elsinore, California

Prepared by the Finance Department

Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024

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Introductory Section

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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BOARD OF DIRECTORS
 Chance Edmondson, President
 Harvey R. Ryan, Vice President

Darcy M. Burke, Treasurer
 Andy Morris, Director
 Vacant, Director

GENERAL MANAGER
LEGAL COUNSEL
DISTRICT SECRETARY

Greg Thomas
 Best, Best & Krieger
 Christy Gonzalez

November 14, 2024

Board of Directors and
 Customers Served by the District
 Elsinore Valley Municipal Water District
 31315 Chaney Street
 Lake Elsinore, CA 92530

We are pleased to present the Elsinore Valley Municipal Water District's ("District") Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended June 30, 2024.

This report was prepared by District staff following financial reporting guidelines set forth by the Governmental Accounting Standards Board. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements presented are free of any material misstatements.

Rogers, Anderson, Malody & Scott, LLP, Certified Public Accountants, have issued an unmodified "clean" opinion on the District's financial statements for the fiscal year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The District was incorporated on December 23, 1950, under the legal authority of the California Municipal Water District Act of 1911. This Act allows the District to supply and distribute water, treat and dispose of wastewater, make beneficial use of reclaimed water, and manage water-related recreational activities. The District provides service to a population of approximately 161,000 within 61,949 acres or 97 square miles of land located in the western portion of Riverside County and a portion of Orange County along the Ortega Highway. The District primarily provides service to the cities of Lake Elsinore, Canyon Lake, Wildomar, the California Oaks Development within the City of Murrieta, and the unincorporated communities of Lakeland Village, Meadowbrook, Rancho Capistrano/El Cariso Village, Horsethief Canyon, and Temescal Canyon. The District is a member agency of the Western Municipal Water District ("WMWD"), which is a member agency of the Metropolitan Water District of Southern California ("MWD").

The financial data presented includes information relating to certain separate legal entities whose activities are significantly controlled by the District. These include the Water Employee Services Authority ("WESA"), Elsinore Valley Water and Sewer Facilities Corporation (EVWSFC), Elsinore Valley Municipal Water District Financing Authority, and the Meeks and Daley Water Company in which the District owns a controlling interest. The EVMWSFC's Board approved its dissolution on March 5, 2024. The Financing Authority assumed all its functions; to acquire, construct, improve and develop certain real and personal property for the use, benefit, and enjoyment of the public. WESA was established in 2003 and started providing employee services to the District and Meeks and Daley on January 1, 2008. WESA is also available to provide this service to other water and wastewater agencies. The District continues the tradition of providing high quality, professional water and wastewater services to the communities it serves.



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DISTRICT SECRETARY

Greg Thomas
 Best, Best & Krieger
 Christy Gonzalez

The District is governed by a five member Board of Directors (“Board”) elected by the voters within their respective divisions for staggered four-year terms.

As of June 30, 2024, the District’s Board includes:

Darcy M. Burke, Director	Division 1
Harvey R. Ryan, Vice President	Division 2
Chance Edmondson, President	Division 3
Jack T. Ferguson, Treasurer	Division 4
Andy Morris, Director	Division 5

The District is not legally required to adopt and adhere to a budget or to present budgetary comparison information. However, the Board chooses to approve a biennial budget as a management tool, which serves as the foundation for the District’s financial planning and control. The budget is prepared by fund, function, and department. The Board does not formally amend the budget after approval.

LOCAL ECONOMY

Over the last ten years the District’s population has grown by a total of 10.2%. During this fiscal year, the number of active water meters and wastewater service connections grew by 718 (1.5%) and 736 (2%), respectively, compared to the prior year. The population of Riverside County increased by approximately 0.6% over the same period. The District has planned for a growth rate of approximately 1.0% in water services and wastewater services for the next fiscal year. Should the actual growth rate in utility services be higher than projections, adequate water and wastewater capacities are available to meet the demand for District services.

MAJOR INITIATIVES

The District has continued to perform water and wastewater system upgrades and expansions as needed to provide safe and reliable services. Currently, the District has over 156 ongoing capital projects with total authorized costs of approximately \$341.0 million, of which, approximately \$209.7 million has been expended as of June 30, 2024 on these projects. Several noteworthy projects are described below.

Lee Lake Wells Project (Integrated Resource Project) – The purpose of the Lee Lake Wells Project is to provide an additional source of potable water in the northern area of the District’s service area. This project has been sited on a District owned property. The construction of Lee Lake Wellhead Facilities includes: two well pumps, PFAS treatment, backwash system, mechanical building, chemical storage facilities, booster pump station and chlorine tank. This project is part of the Santa Ana Regional Conservation Conjunctive Use Program (SARCCUP). The District has entered into an agreement with Western Municipal Water District to receive \$3.0 million in funding for this project from the Department of Water Resource Proposition 84 through Santa Ana Watershed Project Authority. The District has authorized \$23.2 million in funding to date for this project, of which, approximately \$5.7 million has been expended as of June 30, 2024.



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 Christy Gonzalez

Mills Capacity Lines (12CFS) - The purpose of the Mills Capacity Line project is to buy capacity in the Mills Gravity Pipeline to import water coming from the State Water Project. By having conveyance capacity in the Mills Gravity Pipeline, the District will be able to maintain existing system capacity to meet water demands and reduce costs compared to leasing alternatives. The District has authorized costs approximately \$12.4 million to date. As of June 30, 2024, and pursuant to the signed agreement with Western Municipal Water District, the District purchased 6 CFS of service rights and has the option to purchase an additional 6 CFS in Fiscal year 2025.

Mayhew Well – The purpose of the Mayhew Well Project is to replace the existing well with a new well. The Project design is expected to be completed by 2025 with construction anticipated to start at the end of 2025. The District has authorized \$7.8 million to date with an estimated project cost of \$9.5 million.

Palomar Well (Integrated Resource Project) – The Palomar Well Project is part of the near-term water supply program recommended for implementation in the 2017 Integrated Resources Plan. The implementation of these local water supply projects will help EVMWD to have a more reliable long term water supply portfolio and will contribute to becoming less dependent on imported water supply. All the main components of the projects have been installed. Currently working on the last phase of the project: Startup and testing plan, the District has authorized \$5.4 million to date and an estimated total project cost of \$6.6 million.

Tomlin Pipeline Replacement – The project will replace approximately 5,100 LF of the existing 6-inch water main between the Tomlin 1 Pump Station and Tomlin 2 Reservoir. The existing pipes are near the end of their useful life and in order to meet the required fire flow demands in the area, the pipeline will need to be up-sized to 8-inch. The Pipeline is located within the Cleveland National Forest area along steep mountainous terrain. In addition to the pipeline upgrades, the Project will rehabilitate and stabilize the eroded maintenance access road. The District has authorized \$5.2 million to date and an estimated total project cost of \$4.6 million.

Other Water Facilities – The District has authorized \$55.8 million for 59 smaller water related projects that have an individual authorized amount of \$4.2 million or less each. A few of the larger projects are the CLWTP Master Plan Phase Improvements (\$4.3 million), Sky Meadows Pump Station (\$4.0 million), the Elsinore Valley Dam (\$3.0 million), Upsize Blending line at Diamond (\$2.7 million), and the Rice Canyon Reservoir Rehabilitation Project (\$2.4 million).

Regional Water Reclamation Facility Expansion – Construction – The Regional Water Reclamation Facility (“RWRF”) was originally constructed in 1984 and most recently expanded in 2000-2001. It is projected to reach its design capacity. To meet future demands, the Project will expand the average daily capacity from 8.0 to 12.0 mgd. The Project includes new bar screens and grit removal tank, a new 4.0 mgd membrane bioreactor, a new 12 mgd UV system, and sludge processing facilities. The estimated total Project cost is approximately \$250.0 million and the District has been awarded a low interest loan from the State of California Revolving Fund in the amount of \$129.0 million as well as a grant of \$9.3 million from the BOR Title XVI program. The District has authorized \$41.4 million in funding to date for this project.

Horsethief Canyon Water Reclamation Facility Rehab and Expansion – There are four proposed developments planned northeast of the existing Horsethief Canyon WRF, in the northern section of the District’s service area. The developments consist of approximately 1,200 residential homes with no parks or commercial areas. To accommodate the new development, the Horsethief WRF will be expanded by 0.3 million gallons per day. The project is expected to be completed by October 2024, with \$37.0 million authorized to date and an estimated project cost of \$35.0 million.

Diamond Regional Lift Station Dual Force Main Project – This Project will construct a new force main to convey wastewater from the new Diamond Regional Lift Station to the existing sewer main in Lakeshore Dr. and Elm St. The new force main is needed to accommodate existing flows and future flows from the area being serviced by the existing temporary Summerly Lift Station as well as the planned B-1 and B-2 Lift Stations in subsequent phases. The District has authorized \$10.7 million to date and an estimated project cost of \$56.0 million. In addition, the District has a final funding agreement with the SWRCB for a \$36.5 million low interest SRF loan.



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Greg Thomas
 Best, Best & Krieger
 Christy Gonzalez

Highway 74/Ethanac Sewer Extension Project – This Project is part of the Riverside County American Rescue Plan Act (ARPA) funds to support necessary water and sewer infrastructure improvements. This project is for the planning, design, and construction of approximately 9,475 feet of 15-inch gravity sanitary sewer main within the State Highway 74, and Wasson Canon Road. This project is located within EVMWD’s Regional Water Reclamation Facility sewer shed and will make sanitary sewer service available to the Meadowbrook Community. In addition to providing sanitary sewer service to future development in accordance with EVMWD’s 2016 Sewer System Master Plan, this project will also facilitate the future conversion of existing onsite septic tanks which will improve groundwater quality. The District has authorized \$4.2 million to date and an estimated project cost of \$14.2 million.

Other Wastewater Facilities – The District has authorized \$47.0 million for 44 smaller wastewater related projects that have an individual authorized amount of \$5.6 million or less each. A few of the larger projects are the RRCWRF DCS Conversion (5.6 million), Downtown Sewer Replacement (\$3.9 million), RWRf Upgrade Planning (\$3.6 million), the A-3 Lift Station and Dual Force Main Replacement (\$3.5 million), Railroad Canyon Water Reclamation Facility Yard Piping Modifications (\$3.2 million), and the A-3 Lift Station And Force Main Replacement.

Other District Facilities – The District has authorized \$26.8 million for 16 smaller projects for other facilities that have an individual authorized amount of \$3.2 million or less each. A few of the larger projects are the Desalter project (11.8million), Administration Building Repairs (\$3.2 million), the Condition Assessment of Motor Control Centers (\$2.5 million), the Comprehensive Asset Management Plan (\$2.2 million), and the Lake Aeration Condition Assessment of Aeration Equipment (\$1.5 million).

LONG-TERM FINANCIAL PLANNING

The District is heavily committed to investing into its major capital facilities and infrastructure in order to provide for continued high levels of water, wastewater, and recycled water services in the future. In addition, maintenance and replacement of current District facilities is also performed as necessary to ensure they will be available for continued future use. As costs continue to increase, the District has been required to increase rates in order to maintain its ability to provide a consistent high level of service. The District continues to analyze its long-term capital investments to determine the best means of financing these projects. Most of the projects discussed above are planned as cash (pay-as-you-go) projects.

The District continues to take advantage of low interest rate State Revolving Fund loans being offered by the Clean Water State Revolving Fund (“CWSRF”) to finance larger projects rather than using traditional debt financing due to the amount of cost savings involved. In the event that these types of loans are no longer offered in the future, or the District does not qualify for them, the District will likely fund larger projects through traditional fixed or floating rate debt issuances.

In the past, the District has funded larger capital investments through debt financing and will continue to do so on an as needed basis. The District currently maintains a AA+ rating with Standard & Poor’s and Fitch, and an Aa2 rating with Moody’s. The District reviews all potential debt issuances against its capital needs with the intent to maintain or improve its credit rating.

The District’s next fiscal year budget includes new budgets for 31 capital improvement projects with a total budgeted cost of approximately \$226.9 million with the largest of these projects being the Regional Water Reclamation Facility Expansion Construction (\$80.0 million), CLWTP Master Plan Phase I Improvements (\$27.0 million), Elsinore Valley Dam Upgrades (\$25.0 million), Sedco Septic-to-Sewer Planning (\$19.0 million), and Diamond Regional Lift Station (\$17 million).

To maintain fiscal stability, utility rates were developed to match variable costs with commodity rates, fixed costs with fixed rates, and to include a goal of Capital Replacement Program funding at 100% depreciation by fiscal year 2029-2030. The District plans to maintain the Rate Stabilization Reserve at a minimum of 15% and a maximum of 30% of operating costs. To ensure that there is sufficient funding to implement its Capital Improvement Program, the District maintains cash flow and non-operating rate projections for all sources of project funding five years into the future.

951-674-3146 | 31315 Chaney Street, Lake Elsinore, CA 92530 | www.evmwd.com



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 Andy Morris, Director
 Vacant, Director

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LEGAL COUNSEL
DISTRICT SECRETARY

Greg Thomas
 Best, Best & Krieger
 Christy Gonzalez

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ending June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The District has received a Certificate of Achievement from the GFOA for the last thirty-three (33) consecutive fiscal years (fiscal years ended 1990-2023). We believe our current ACFR continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA.

We would like to express our appreciation to all members of the District’s staff, particularly Scott Thompson and the members of the Finance & Accounting Department, who have participated in the preparation of this report. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the financial affairs of the District.

Sincerely,

Greg Thomas
 General Manager

Robert A. Hartwig, CPA, MBA
 Assistant General Manager - Business Services Division

BOARD OF DIRECTORS

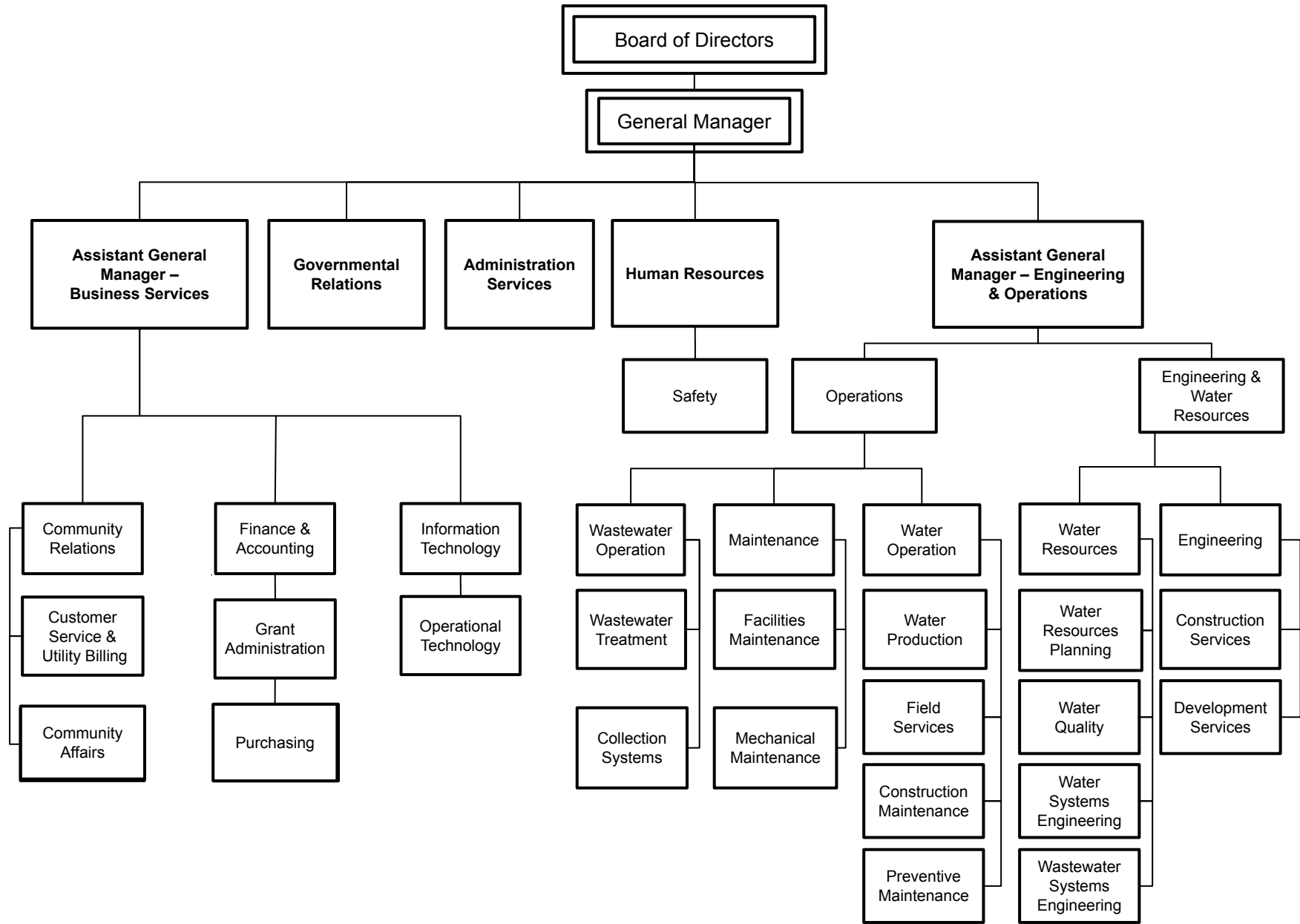
As of June 30, 2024

Name	Position	District
Darcy M. Burke	Director	Division 1
Harvey R. Ryan	Vice President	Division 2
Chance Edmondson	President	Division 3
Jack T. Ferguson	Treasurer	Division 4
Andy Morris	Director	Division 5

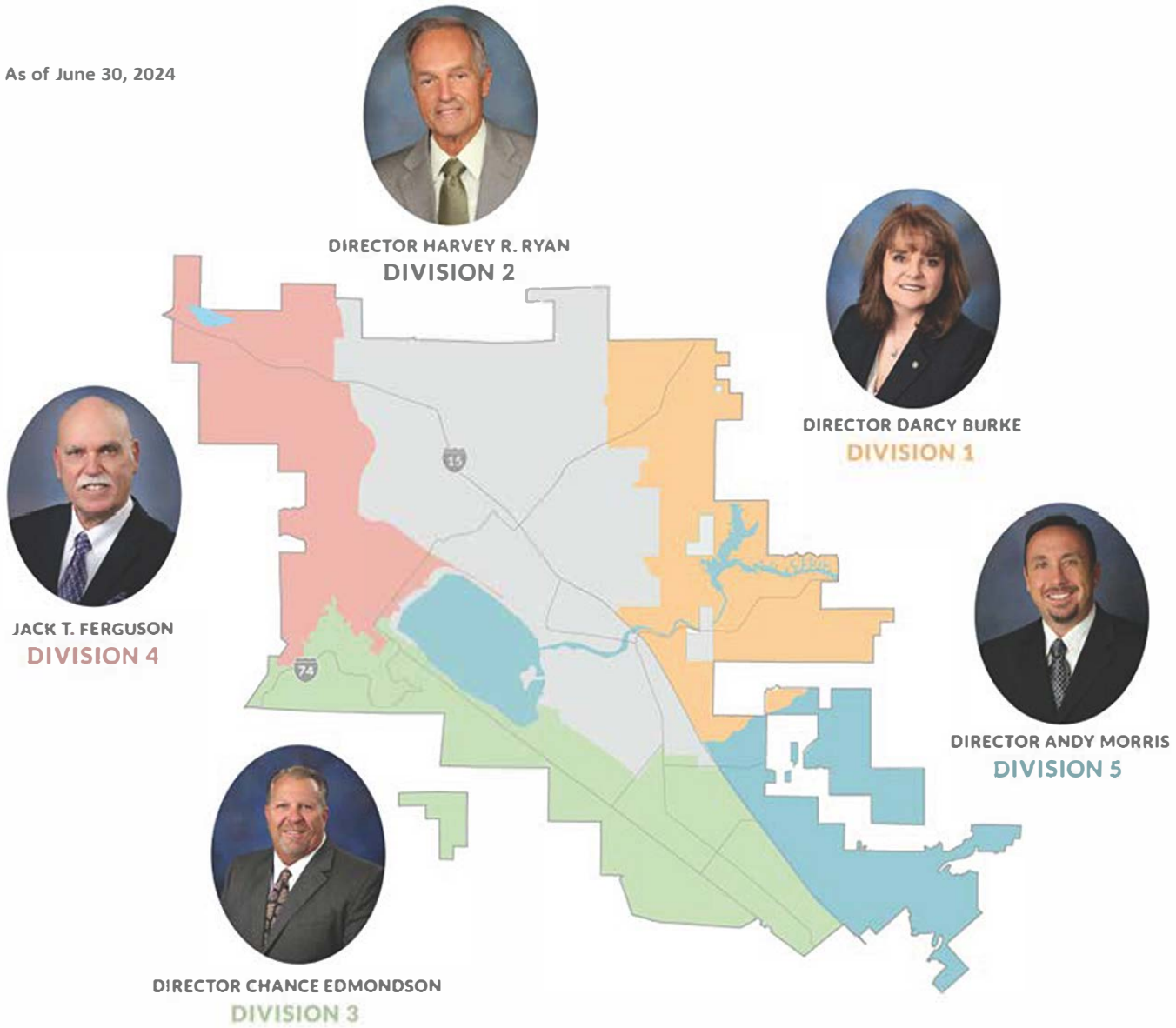
DISTRICT MANAGEMENT

As of June 30, 2024

Name	Position
Greg Thomas	General Manager
Ganesh Krishnamurthy	Assistant General Manager – Engineering & Operations
Robert A. Hartwig	Assistant General Manager – Business Services
Erin Sasse	Government Relations Officer
Darryn Flexman	Director of Information Technology
Jase Warner	Director of Operations
Vacant	Director of Engineering
Parag Kalaria	Director of Water Resources
Scott Thompson	Director of Finance
Christina Henry	Director of Community Relations
Rebecca Christopher	Director of Human Resources
Christy Gonzalez	District Secretary/Administrative Services Supervisor



As of June 30, 2024





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Elsinore Valley Municipal Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

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Financial Section

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
 CERTIFIED PUBLIC ACCOUNTANTS. SINCE 1948

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Independent Auditor's Report

PARTNERS

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 Brianna Schultz, CPA, CGMA
 Brenda L. Odle, CPA, MST (Partner Emeritus)
 Terry P. Shea, CPA (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
 Evelyn Morentin-Barcena, CPA
 Veronica Hernandez, CPA
 Laura Arvizu, CPA
 John Maldonado, CPA, MSA
 Julia Rodriguez Fuentes, CPA, MSA
 Demi Hite, CPA
 Jeffrey McKennan, CPA
 Monica Wysocki, CPA

MEMBERS

American Institute of
 Certified Public Accountants

*PCPS The AICPA Alliance
 for CPA Firms*

*Governmental Audit
 Quality Center*

California Society of
 Certified Public Accountants

To the Board of Directors
 Elsinore Valley Municipal Water District
 Lake Elsinore, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of Elsinore Valley Municipal Water District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America and State Controller's *Minimum Audit Requirements for California Special Districts*.

Basis for Opinions

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



STABILITY. ACCURACY. TRUST.

Report on Summarized Comparative Information

We have previously audited the District's 2023 financial statements, and we expressed unmodified opinions on the respective financial statements in our report dated November 7, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived. Responsibilities of Management for the Financial Statements.

Other Matter**Prior-Year Comparative Information**

The financial statements include summarized prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which such summarized information was derived.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024, on our consideration of District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, CA
October 28, 2024

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Management's Discussion and Analysis

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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Management's Discussion and Analysis

This discussion and analysis of the Elsinore Valley Municipal Water District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the transmittal letter beginning on page 1 and the District's basic financial statements.

FINANCIAL STATEMENTS

The District operates as a utility enterprise and presents its financial statements using the economic resources measurement focus and the accrual basis of accounting. As an enterprise fund, the District's basic financial statements are made up of two components: financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The financial statements conform to accounting principles set forth by Generally Accepted Accounting Principles ("GAAP"). The District's financial statements consist of the statement of net position; the statement of revenues, expenses and changes in net position; the statement of cash flows; and the notes to the basic financial statements.

- Statement of Net Position: This statement includes the District's assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, with the difference reported as net position. This statement also provides the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.
- Statement of Revenues, Expenses and Changes in Net Position: This statement accounts for the District's revenues and expenses. This statement measures the success of the District's operations over the past year and determines whether the District has recovered its costs through user fees and other charges.
- Statement of Cash Flows: This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operations, non-capital financing, capital financing, and investing activities during the reporting period.
- Statement of Fiduciary Net Position: This statement includes the Fiduciary Fund's assets, plus deferred outflows of resources, less liabilities, with the difference reported as net position.
- Statement of Changes in Fiduciary Net Position: This statement accounts for the Fiduciary Fund's additions to and deductions from net position. This statement provides information on the Fiduciary operations over the past year.
- Notes to the Basic Financial Statements: These notes provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise presented in the financial statements.

FINANCIAL HIGHLIGHTS

The District's net position, on average, has grown by approximately 4.3% per year over the past ten fiscal years from approximately \$576 million at June 30, 2015 to \$871 million at June 30, 2024. During the current fiscal year, the District's net position grew by \$68.3 million or 8.5% from the prior fiscal year. The yearly comparison of changes in net position for the prior ten fiscal years are shown in the Statistical Section.

STATEMENT OF NET POSITION

(Dollars in Thousands)	June 30, 2024	June 30, 2023	Increase / (Decrease)	
			\$ Amount	% Percent
Assets:				
Current Assets	\$ 185,834	\$ 175,892	\$ 9,942	5.7%
Other Non-Current Assets	276,177	252,831	23,346	9.2%
Capital Assets, Net	766,779	695,517	71,262	10.2%
Total Assets	1,228,790	1,124,240	104,551	9.3%
Deferred Outflows of Resources	17,572	18,493	(921)	-5.0%
Liabilities:				
Current Liabilities	49,811	44,517	5,294	11.9%
Long-term Liabilities	214,487	181,859	32,628	17.9%
Total Liabilities	264,298	226,376	37,922	16.8%
Deferred Inflows of Resources	111,132	113,755	(2,623)	-2.3%
Net Position:				
Net investment in capital assets	581,797	545,849	35,948	6.6%
Restricted	66,901	57,748	9,153	15.9%
Unrestricted	222,234	199,006	23,228	11.7%
Total Net Position	\$ 870,933	\$ 802,603	\$ 68,330	8.5%

Allow for rounding differences

The following explains the significant changes in net position between fiscal years 2023/2024 and 2022/2023 as shown in the above table:

- Current assets increased by approximately \$9.9 million or 5.7% during the year. This was due to an increase in receivables of \$31.6 million, prepaids of \$1.8 million, and cash and cash equivalents of \$10.2 million. These increases were partially offset by a decrease of \$34.0 million in short term investments which resulted from maturing investments being reinvested for terms greater than one year.
- Other assets increased by approximately \$23.3 million or 9.2%. This was mainly due to a \$23.1 million increase in long term investments resulting from the reinvestment of maturing short-term investments and a \$2 million increase to the investment in Santa Rosa Regional Resources Authority ("SRRRA"). These increases were offset by decreases of \$2.6 million in leases receivable.
- Capital assets, net of depreciation increased by approximately \$71.2 million or 10.2% during the year. This was mainly the result of increases of \$67.8 million in construction in progress mostly from \$12.7 million in Horsethief Treatment plant construction, \$51 million in Regional Water Reclamation Facility upgrades and construction and another \$2.3 million in Diamond Regional Lift Station construction.
- Deferred outflows of resources decreased by \$921 thousand or 5% during the year. This was a result of a \$109 thousand increase in employee pension contributions as required by GASB 68, offset by a decrease of \$440 thousand in unamortized bond redemption costs and \$589 thousand in employee pension related items.
- Total current liabilities increased by approximately \$5.3 million or 11.9% during the year. This was mostly the result of an increase of \$3.1 million in retentions payable, an increase of \$1.8 million in long-term debts due in one year, and another \$1.5 million in combined increases for developer advances and bondholders. These increases were reduced by \$1.3 million in accounts payable and \$159 thousand customer deposits.
- Long-term liabilities increased by approximately \$32.6 million or 17.9% during the year. This change was mainly the result of a \$40.7 million increase in loans payable related to the Regional Water Reclamation Facility expansion project and purchase of additional capacity in the Mills Gravity Line and an increase of \$780 thousand in compensated absences. These increases were partially offset by decreases in revenue bonds payable of approximately \$7.8 million resulting from paying down the principal balances through debt service payments.

Management's Discussion and Analysis

- Net investment in capital assets increased by approximately \$35.9 million or 7% over the previous year. This change was the result of a \$71.2 million increase in capital expenditures and a \$35.3 million decrease in debt offsetting capital assets.
- Restricted net position includes amounts that are legally constrained by creditors, grantors, and contributors; and bylaws and regulations of other governments. Total restricted net position increased by approximately \$9.2 million or 15.8% during the year. This was primarily the result of an increase in capacity fees of \$6.2 million, debt service reserves of \$1.0 million, and an increase of \$1.9 million in operating reserves.
- Unrestricted net position includes amounts that have been designated for various purposes. These designations have been established and maintained to provide sound financial management and a stable and equitable rate structure. The total unrestricted net position increased by approximately \$23.2 million or 11.7% during the fiscal year due to increases of \$5.8 million in debt service reserves, \$11.8 million in reserves for encumbered CIP projects, \$7.3 million in replacement reserves, \$2.2 million in special revenue reserves, and \$511 thousand in customer deposits. These increases were offset by a decrease of \$3.4 million in other operational reserves.

REVENUES, EXPENSES, AND CHANGES IN NET POSITION

As the following table shows, net position increased by \$68.3 million in fiscal year 2023/2024, an increase of 8.3% from the prior year.

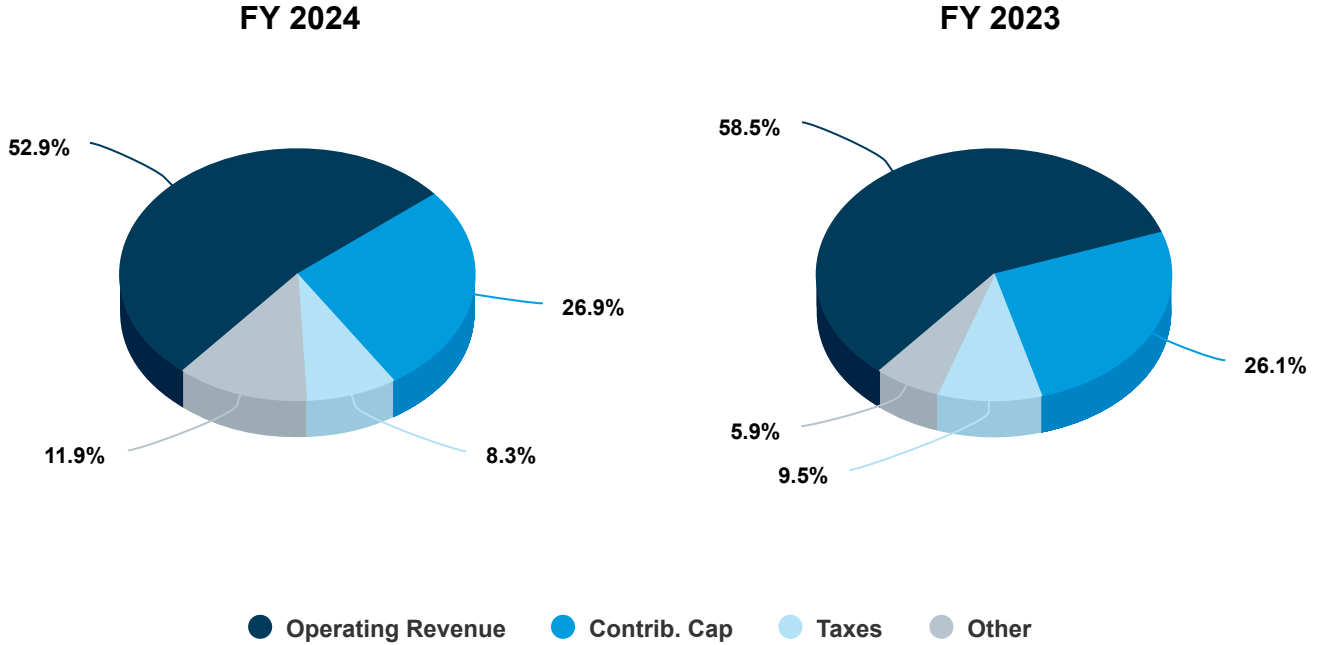
(Dollars in Thousands)	June 30, 2024	June 30, 2023	Increase / (Decrease)	
			Amount	Percent
Operating Revenues:				
Water Revenues	\$ 62,076	\$ 56,967	\$ 5,109	9.0%
Wastewater Revenues	30,782	27,777	3,005	10.8%
Recycled Water Revenues	1,419	1,514	(95)	-6.3%
Total Operating Revenues	94,277	86,258	8,019	9.3%
Non-Operating Revenues:				
Property and Other Related Taxes	14,770	13,989	781	5.6%
Standby Charges	801	470	331	70.4%
Investment Income	12,035	3,220	8,815	273.8%
Other Non-Operating Revenues	8,363	5,055	3,308	65.5%
Total Non-Operating Revenues	35,969	22,733	13,235	58.2%
Total Revenues	130,246	108,992	21,254	19.5%
Operating Expenses:				
Water Purchases	22,696	17,842	4,855	27.2%
Water Operations	22,170	20,305	1,866	9.2%
Wastewater Operations	15,844	14,626	1,218	8.3%
Recycled Water Operations	1,442	1,180	261	22.1%
General and Other Operating Expenses	19,432	17,180	2,253	13.1%
Depreciation and Amortization	22,691	22,878	(187)	-0.8%
Total Operating Expenses	104,276	94,010	10,266	10.9%
Non-Operating Expenses:				
Interest Expense	2,903	2,899	4	0.1%
Other Expenses	2,652	1,142	1,511	132.3%
Total Non-Operating Expenses	5,556	4,041	1,515	37.5%
Total Expenses	109,831	98,051	11,780	12.0%
Income/(Loss) Before Contributions	20,415	10,941	9,474	86.6%
Capital Contributions	47,915	38,540	9,375	24.3%
Change in Net Position	68,330	49,481	18,849	38.1%
Beginning Net Position	802,603	753,122	49,481	6.6%
Ending Net Position	\$ 870,932	\$ 802,603	\$ 68,330	8.5%

(1) Amounts have been restated due to the reclassification of lease income from operating revenue to non-operating revenue.

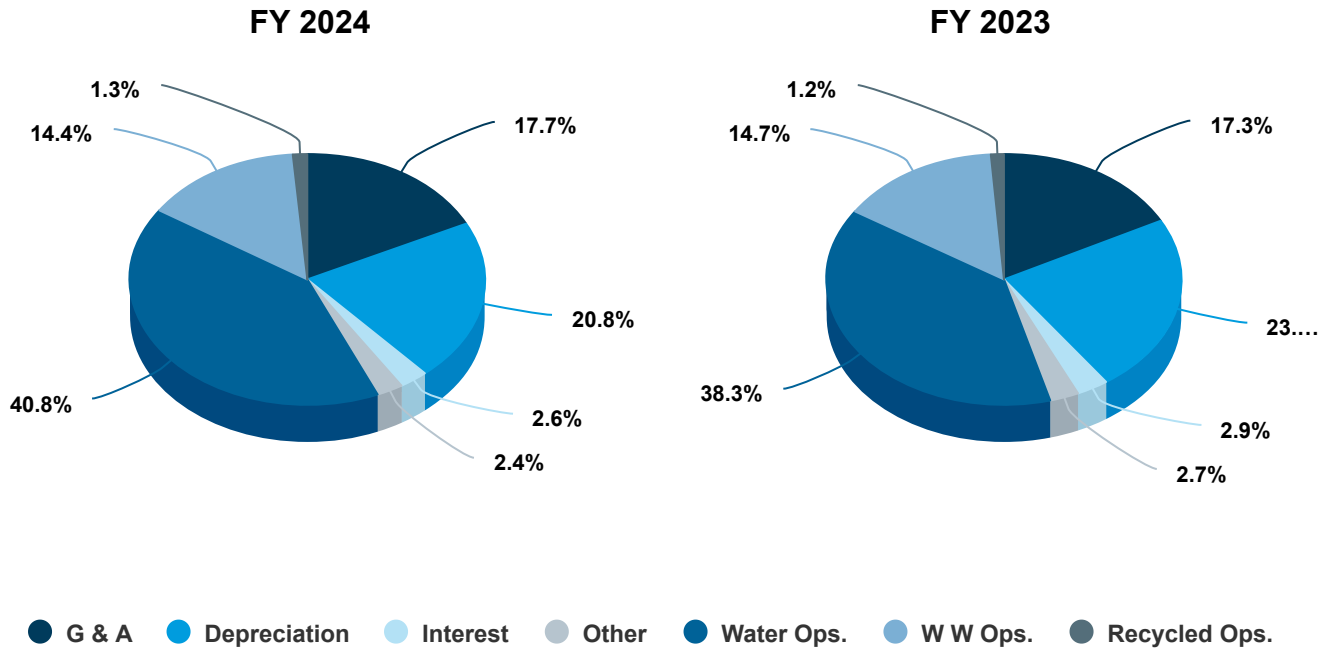
Allow for rounding differences

As previously stated, the operations of the District are accounted for as an enterprise fund, which is financed and operated in a manner like a private business enterprise. The costs (expenses, including depreciation) of providing water, wastewater, and recycled water services on a continuing basis are financed or recovered primarily through user fees. The following graphs illustrate the District's major sources and uses of revenue:

SOURCES OF REVENUE



FUNCTIONAL EXPENSES



Water, wastewater, and recycled water user fees are evaluated annually based primarily upon the budget requirements for total operation, maintenance, and capital expenditures for providing water, wastewater and recycled water treatment services. Capacity fees (amounts charged for new developments) are the major source of contributed capital. Capacity fees are determined based on the funding requirements for current and planned capital projects relating to system expansion. Property tax revenues, the major source of tax revenues, may be used for any general purpose of the District, however, in the past they have generally been used for the payment of debt service and for capital funding relating to repair and replacement of existing capital assets.

The following explains some of the significant differences between fiscal years 2023/2024 and 2022/2023 as shown on the statement of revenues, expenses and changes in net position.

- Water revenues increased by approximately \$5.1 million or 9% during the fiscal year. The increase in water sales was attributed to an increase of fixed and variable water rates as well as an increase in overall accounts.
- Wastewater revenues increased by approximately \$3 million or 10.8% during the year. This can be attributed to an increase in wastewater rates and accounts serviced by the District.
- Recycled water revenues decreased by approximately \$95 thousand or -6.3% during the year. The decrease can be attributed to the higher than normal rainfall received in the area during the fiscal year of 2023-2024.
- Non-operating revenues increased by \$13.2 million or 58.2%. This was primarily the result of an \$8.8 million increase in investment income caused by both an increase in interest and dividends earned on investments and a large recovery of unrealized losses which have resulted from the current interest rate environment, \$3.2 million in other income resulting from a legal settlement with a contractor and a \$781 thousand increase in property taxes.
- Total operating expenses increased by \$10.2 million or 10.9%. This was largely due to an increase in water purchases of \$4.8 million, \$2.2 million increase in general and other operating expenses, \$1.8 million in water operations and \$1.2 million in wastewater operations. These were offset by a decrease of \$186 thousand in depreciation expense.
- Non-operating expenses increased by \$1.5 million or 37.5%. This change was mainly due to an increase in other pension related expenses by \$1.5 million.
- Capital contributions increased by approximately \$9.3 million or 24.3%. This was attributable to increases of \$11.6 million in capacity fees and a \$5.2 million increase in capital grants. This was offset by a \$7.5 million decrease in other developer contributions.

CAPITAL ASSETS AND INFRASTRUCTURE

The District provides water services to approximately 47,950 domestic customers through 761 miles of pipeline ranging in size from 6 to 42 inches in diameter, 55 booster stations, 70 reservoirs, and 14 wells. In addition, the District provides wastewater services to approximately 38,963 customers through 3 treatment plants, 38 lift stations, and a 419-mile collection system. The District performs routine inspections and maintenance of all facilities on a regular basis as part of its preventive maintenance program. The District also has a comprehensive facilities and resources protection program in place to ensure the integrity and continuity of its assets.

As of June 30th, 2024, the District had invested approximately \$766.8 million in capital assets net of accumulated depreciation and amortization, as shown below. This amount represents a net increase of \$71.3 million (10.2%) which is the combination of several factors including an increase in construction in progress of \$67.9 million, an increase in capitalized assets of \$13.8 million, offset by depreciation and amortization of \$19.5 million. More detailed information about Capital Assets are presented in Notes 6, 7 and 8 of the financial statements.

The District's Capital Improvement Program is financed from a variety of sources including grant funding, low interest SRF loans, long-term debt or by cash funding through the use of existing replacement and capacity fee reserves. Replacement reserves are funded annually through transfers from the operating funds and are used to cash fund replacement and/or major refurbishment projects. Capacity fee reserves are funded through the receipt of capacity fees collected from developers for connecting to District facilities and are used to cash fund new development projects. Projects may be funded through a combination of funding sources or reserves depending upon whether the project is for replacement to accommodate growth, new development, or a combination of both.

<u>(Dollars in Thousands)</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Incr (Decr)</u>
Capital Assets Not Being Depreciated			
Land	\$ 7,914	\$ 7,914	\$ -
Construction in progress	210,227	142,359	67,868
Water Rights	42,503	33,428	9,075
Total Capital Assets Not Being Depreciated	260,644	183,701	76,943
Capital Assets Being Depreciated/Amortized(Net)			
Infrastructure - Water	238,211	240,681	(2,470)
Infrastructure - Wastewater	253,813	257,854	(4,041)
Building & Structures	7,520	8,421	(901)
Vehicles & Equipment	3,436	924	2,512
Miscellaneous	864	851	13
Leased Assets	544	773	(229)
Subscription Based IT Agreements (SBITA)	1,747	2,313	(566)
Total Capital Assets Being Depreciated/Amortized (Net)	506,135	511,817	(5,682)
Total Capital Assets, net	\$ 766,779	\$ 695,518	\$ 71,261

Allow for rounding differences

Major capital asset additions for the current fiscal year included (in millions):

- \$10.6 - Developer Projects
- \$9.1 - Mills Capacity Lines (12CFS)
- \$1.7 - 1467 Zone Watermain Pahse V-Design
- \$0.5 - Relocation 6” Watermain Hwy 74 Caltrans
- \$0.4 - 8” Waterline Grand Ave East of Machado (Pardee)
- \$0.4 - TDS Control
- \$0.3 - Reservoir Rehabilitation

The District’s fiscal year 2024-25 budget includes \$226.9 million for additions and improvements to water, recycled water, and wastewater facilities. More detailed information about the District’s capital assets are presented in Note 8 of the financial statements.

LONG – TERM LIABILITIES

As of June 30, 2024, the District had approximately \$214.5 million in long-term liabilities outstanding (\$226.9 million total, less \$12.4 million due in one year), a net increase of \$32.6 million or 18% from the prior year. The increase is related to a \$2.0 million increase in the Net Pension Liability described below plus an increase in loans payable of approximately \$43.7 million less principal reductions made throughout the year. Loans payable increased due to disbursements received from the State Water Resources Control Board in relation to the Regional Water Reclamation Facilities Expansion and Diamond Regional Sewer Lift Station loans as well as the addition of the Mills Gravity Line Loan with Western Municipal Water District. Principal reductions and lease payments totaling \$10.3 million for the year offset the increases. For more detailed information about loans and principal payments see notes 13-15 of the financial statements.

In accordance with GASB Statement No. 68 and effective for fiscal years beginning after June 15, 2014, the District is required to include the net pension liability on the financial statements. The net pension liability is measured as the total pension liability, less the pension plan’s fiduciary net position. The new pension liability was measured as of June 30, 2023, using standard methods and shows a \$8.1 million increase from the prior year. For the measurement period ended June 30, 2023, the total pension liability was \$137.2 million, offset by the fiduciary net position of \$99.8 million resulting in a net pension liability of \$37.4 million.

In accordance with GASB Statement No. 87 and effective for fiscal years beginning after June 30, 2022, the District is required to include a lease liability and an intangible right-to-use lease asset on the financial statements. As of June 30, 2024, the lease liability is \$568 thousand and \$800 thousand at June 30, 2023. For details, see Note 1o and Note 6.

Effective for fiscal year ending June 30, 2023 in accordance with GASB Statement No. 96, the District is required to show all Subscription Based Information Technology Arrangements (SBITA) on the financial statements. Under this statement, the District recognized a subscription liability and an intangible right-to-use subscription asset. As of June 30, 2024 the balance of the SBITA payable is \$1.8 million and \$2.3 million as of June 30, 2023. For details, see Note 1p and Note 7.

Other long-term liabilities consist of Water Revenue Bonds, Advances from the U.S. Government, loans payable, and accrued compensated absences. The amount of debt due within one year totaled \$10.5 million (excludes compensated absences). The District had an obligation of \$5.5 million at June 30, 2024 for compensated absences relating to accrued vacation pay, sick leave and savings clause benefits with an amount due within one year of \$1.1 million. At fiscal year end, the District had no long-term material claims or judgments outstanding. More detailed information about the District’s long-term liabilities are presented in Notes 11 of the financial statements.

The District issues debt in compliance with its formally-adopted debt policy. This policy includes general management, financial management, and debt and capital management. It documents the District’s goals for the use of debt, especially as it relates to financing District infrastructure and project needs. The following table is the most recent rating received for the District.

Rating Agency	Date	Rating	Rating Reflects
Standard & Poor’s	June 2021	AA+	Extremely Strong Liquidity; Moderate Debt to Capitalization Level; Strong Debt Service Coverage; Comprehensive Financial Management
Fitch	May 2023	AA+	Strong Financial Profile; Low Leverage; Strong Revenue Defensibility; Low Operating Risk; Solid Fiscal Footing; Strong Rate Flexibility
Moody’s	February 2016	Aa2	Healthy Debt Service Coverage; Strong Liquidity; Strong Management of Rates and CIP; Diverse Operating Revenues

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Board, customers, creditors and investors with a general overview of the District's accountability for the financial resources it manages. If you have any questions concerning this report or need additional financial information, contact the Elsinore Valley Municipal Water District's Finance & Accounting Department at 31315 Chaney Street, Lake Elsinore, California 92530.

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Basic Financial Statements

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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STATEMENT OF NET POSITION

AS OF JUNE 30, 2024

(With Comparative Amounts for 2023)

	June 2024	June 2023
ASSETS:		
Current Assets:		
Cash and cash equivalents (Notes 1j and 2)	\$ 36,949,044	\$ 26,781,593
Restricted assets (Notes 1k and 2)	8,602,820	8,412,604
Investments maturing in less than a year (Notes 1n and 2)	80,904,655	114,894,625
Accounts receivable, net of allowances (Note 1l)	11,037,499	10,000,543
Other receivables	41,412,205	10,795,041
Accrued interest receivable	600,223	485,838
Materials and supplies inventories (Note 1m)	1,765,384	1,780,901
Prepaid expenses	4,562,364	2,740,616
Total Current Assets	185,834,194	175,891,761
Noncurrent Assets:		
Investments (Notes 1n and 2)	138,707,707	115,617,495
Investment in Mutual Water Company (Note 3)	5,790,715	5,467,383
Investment in SRRRA (Note 4)	19,354,945	17,309,623
Accrued interest receivable	1,029,057	550,700
Lease Receivable (Note 16)	111,294,319	113,862,499
Receivable from CFD (Note 5)	-	23,307
Capital Assets:		
Capital assets, depreciated/amortized - net (Notes 1p, 1q, 7 and 8)	506,135,385	511,817,457
Capital assets, not depreciated/amortized (Notes 1q and 8)	260,643,994	183,700,027
Total Capital Assets	766,779,379	695,517,484
Total Noncurrent Assets	1,042,956,122	948,348,492
Total Assets	1,228,790,316	1,124,240,252
DEFERRED OUTFLOWS OF RESOURCES:		
Unamortized bond redemption (Note 1r)	4,428,311	4,868,955
Deferred outflows - employee pension contributions (Notes 1r and 9)	5,024,486	4,915,440
Deferred outflows - employee pension related items (Notes 1r and 9)	8,119,264	8,708,737
Total Deferred Outflow of Resources	17,572,061	18,493,132
LIABILITIES:		
Current Liabilities:		
Accounts payable and accrued expenses	16,871,353	18,181,597
Retentions payable	5,349,439	2,160,028
Customer deposits	3,682,892	3,842,059
Interest payable	1,997,731	1,760,005
Long-term liabilities due within one year (Note 11)	12,407,135	10,613,383
Developer and other advances	6,406,270	5,707,909
Held for bondholders (Note 10)	3,096,000	2,252,000
Total Current Liabilities	49,810,820	44,516,981

Allow for rounding differences

See notes to the basic financial statements

STATEMENT OF NET POSITION (Continued)
AS OF JUNE 30, 2024
(With Comparative Amounts for 2023)

	June 2024	June 2023
Noncurrent Liabilities:		
Revenue bond payable (Notes 11 and 13)	87,240,317	95,082,410
Loans payable (Notes 11 and 14)	91,789,126	51,071,806
Advances from U.S. Government (Notes 11 and 15)	2,705,310	3,091,783
Lease Payable (Notes 1o, 6 and 11)	568,006	799,494
SBITA Payable (Notes 1p, 7 and 11)	1,758,265	2,332,176
Accrued compensated absences (Notes 1s, 11 and 12)	5,460,699	4,680,298
Net pension liability (Notes 9 and 11)	37,372,233	35,414,224
Less amount due within one year (Note 11)	(12,407,135)	(10,613,383)
Total Noncurrent Liabilities	214,486,821	181,858,808
 Total Liabilities	 264,297,641	 226,375,789
 DEFERRED INFLOWS OF RESOURCES:		
Deferred Inflows - employee pension related items (Notes 1r and 9)	61,239	99,514
Deferred Inflows - leased assets (Notes 1r and 16)	111,070,878	113,655,129
	111,132,117	113,754,643
 NET POSITION (Note 17)		
Net investment in capital assets	581,797,225	545,848,743
<u>Restricted for:</u>		
Rate stabilization fund	3,000,000	3,000,000
Operating reserves	16,805,139	14,879,213
Debt service reserves	8,442,172	7,397,468
Capacity fees	38,654,153	32,471,797
Total Restricted Net Position	66,901,464	57,748,478
Unrestricted	222,233,929	199,005,730
Total Net Position	\$ 870,932,618	\$ 802,602,951

Allow for rounding differences

See notes to the basic financial statements

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(With Comparative Amounts for the Fiscal Year Ended June 30, 2023)

	June 2024	June 2023
OPERATING REVENUES:		
Water revenues	\$ 62,075,994	\$ 56,967,383 ⁽¹⁾
Wastewater revenues	30,782,032	27,776,785
Recycled water revenues	1,419,070	1,514,308
Total Operating Revenues	94,277,096	86,258,476
OPERATING EXPENSES:		
Water purchases	22,696,270	17,841,634
Water operations	22,170,480	20,304,841
Wastewater operations	15,844,398	14,626,092
Recycled water operations	1,441,506	1,180,378
General and administrative	19,432,229	17,179,582
Depreciation/amortization (Notes 1q and 8)	22,690,742	22,877,527
Total Operating Expenses	104,275,625	94,010,055
Operating Income/(Loss)	(9,998,529)	(7,751,579)
NON-OPERATING REVENUES:		
<u>Property taxes: (Note 1t)</u>		
General purpose	9,054,843	8,517,283
Redevelopment	5,218,843	5,003,709
Temescal Valley Project	496,427	468,039
Total Property taxes	14,770,113	13,989,031
Standby charges	800,660	469,891
<u>Investment Income:</u>		
Investment Income, Net	6,362,827	4,198,440
Investment Income, Unrealized Gains/(Losses) (Note 1n)	5,672,243	(978,549)
Total Investment Income	12,035,070	3,219,891
Mutual Water Company (Note 3)	323,332	153,226
Lease income (Note 16)	3,285,894	3,427,510 ⁽¹⁾
Other income	4,753,716	1,473,828
Total Nonoperating Revenues	35,968,785	22,733,377
NON-OPERATING EXPENSES:		
<u>Interest Expense:</u>		
Bonds and Loans	2,903,231	2,899,019
Other expenses	2,652,471	1,141,806
Total Nonoperating Expenses	5,555,702	4,040,825
INCOME BEFORE CONTRIBUTIONS:		
	20,414,554	10,940,973
<u>Capital Contributions (Note 1v)</u>		
Capacity fees	25,373,231	13,771,606
Capital grant	5,852,316	572,925
Other contributions	16,689,566	24,195,249
Total Capital Contributions	47,915,113	38,539,780
Change in Net Position	68,329,667	49,480,753
NET POSITION, BEGINNING OF YEAR	802,602,951	753,122,198
NET POSITION, END OF YEAR	\$ 870,932,618	\$ 802,602,951

(1) Amounts have been restated due to reclassification of cell site lease income from operating revenue to non-operating revenue.

Allow for rounding differences

See notes to the basic financial statements

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(With Comparative Amounts for the Fiscal Year Ended June 30, 2023)

	June 2024	June 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 64,933,280	\$ 83,504,999 ⁽¹⁾
Cash payments to employees for services	(31,753,806)	(30,000,501)
Cash payments to suppliers for goods and services	(46,038,387)	(36,239,739)
Other operating income	2,154,792	403,440
	(10,704,121)	17,668,199
Net Cash Provided By Operating Activities		
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:		
Property taxes	15,828,649	14,649,497
Property tax collection activities	(46,590)	(48,429)
	15,782,059	14,601,068
Net Cash Provided By Noncapital And Related Financing Activities		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Bond handling fees	(6,958)	(22,990)
Proceeds from loans	43,650,156	7,702,657
Principal payments of long - term debt	(10,804,707)	(8,769,673)
Purchase, construction, and disposal of capital assets	(79,760,209)	(43,072,341)
Capacity fees	25,373,231	13,771,606
Capital grant	5,852,316	572,925
Capital reimbursement fees	353,532	8,098,022
Interest and penalty payments	(3,827,597)	(4,215,999)
Receipts of funds held for bondholders	918,215	36,382
Payment of funds held for bondholders	(74,216)	(70,845)
	(18,326,237)	(25,970,256)
Net Cash (Used For) Capital and Related Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Lease income	3,285,894	3,427,510 ⁽¹⁾
Investment income received	9,420,313	430,950
Sale of investments and maturities	50,284,613	71,170,050
Purchase of investments	(39,575,070)	(92,792,934)
	23,415,750	(17,764,424)
Net Cash Provided By/(Used For) Investing Activities		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:		
	10,167,451	(11,465,414)
CASH AND CASH EQUIVALENT, BEGINNING OF YEAR		
	26,781,593	38,247,007
CASH AND CASH EQUIVALENT, END OF YEAR		
	\$ 36,949,044	\$ 26,781,593

(1) Amounts have been restated due to reclassification of cell site and other lease income from operating revenue to non-operating revenue.

Allow for rounding differences

See notes to the basic financial statements

STATEMENT OF CASH FLOWS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(With Comparative Amounts for the Fiscal Year Ended June 30, 2023)

	June 2024	June 2023
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH		
PROVIDED BY/(USED FOR) OPERATING ACTIVITIES:		
Operating Income/(loss)	\$ (9,998,529)	\$ (7,751,578)
<u>Adjustments to reconcile operating income/(loss) to net cash provided by operating activities:</u>		
Depreciation/amortization	22,690,742	22,877,527
Bad debt expense - operating	199,973	469,031
Other operating income	2,154,790	403,440
<u>Changes in assets and liabilities:</u>		
(Inc)/Dec in accounts receivable	(29,543,789)	(3,222,509)
(Inc)/Dec in inventory, prepaid expenses and deposits	(1,806,231)	(964,098)
Inc/(Dec) in accounts payable, accrued expenses, deposits, and advances	(771,049)	6,902,601
Inc/(Dec) in retentions payable	3,189,411	(2,080,242)
Inc/(Dec) in net pension liability	1,958,009	18,496,691
Inc/(Dec) in accrued compensated absences	780,401	(73,062)
<u>Changes in deferred inflows and outflows:</u>		
(Inc)/Dec in deferred outflows and inflows-employee pension contributions	442,151	(17,389,606)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (10,704,121)	\$ 17,668,195
 NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Change in unrealized gain (loss) in fair value of investment	\$ (5,672,543)	\$ 10,435,511
Capital contribution	(10,565,415)	(7,562,725)
Change in deferred outflows of resources, unamortized bond redemption	(440,645)	(440,645)
Change in deferred inflows of resources, leased assets	(2,584,251)	(75,158)
Unamortized premium/discount	(1,162,093)	(1,162,093)

Allow for rounding differences

See notes to the basic financial statements

STATEMENT OF FIDUCIARY NET POSITION

AS OF JUNE 30, 2024

(With Comparative Amounts for 2023)

	June 2024	June 2023
ASSETS:		
Cash and cash equivalents	\$ 3,384,953	\$ 4,621,726
Receivables:		
Special Assessments Receivable	514,923	504,021
Investments at fair value:		
Mututal Funds	1,443,841	1,441,275
Total Assets	5,343,717	6,567,022
DEFERRED OUTFLOWS OF RESOURCES:		
Unamortized bond redemption	108,944	125,292
Total Deferred Outflows of Resources	108,944	125,292
LIABILITIES:		
Accounts payable and other liabilities	386,932	400,154
Bonds payable	27,079,541	27,925,194
Other long term liabilities	-	23,307
Total Liabilities	27,466,473	28,348,655
NET POSITION:		
Restricted for:		
Debt Service	(22,013,812)	(21,656,341)
TOTAL NET POSITION / (DEFICIT)	\$ (22,013,812)	\$ (21,656,341)

See notes to the basic financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
 (With Comparative Amounts for 2023)

	June 2024	June 2023
ADDITIONS:		
Special Assessments	\$ 2,605,467	\$ 1,327,356
Interest Income	13,146	8,212
Total Additions	2,618,613	1,335,568
DEDUCTIONS:		
Amortization	16,349	16,349
Bond Handling Fees	100,597	90,104
Interest Expense	1,167,406	1,206,634
Capital Expenditures	1,689,008	5,313,261
Other Expense	2,724	2,205
Total Deductions	2,976,084	6,628,553
INCREASE/(DECREASE) IN FIDUCIARY NET POSITION	(357,471)	(5,292,985)
NET POSITION/(DEFICIT) - BEGINNING OF YEAR	(21,656,341)	(16,363,356)
NET POSITION/(DEFICIT) - END OF YEAR	\$ (22,013,812)	\$ (21,656,341)

Allow for rounding differences

See notes to the basic financial statements.

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Notes to the Basic Financial Statements

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Reporting Entity:

The reporting entity Elsinore Valley Municipal Water District (“District”) includes the accounts of the District, Water Employee Services Authority (“WESA”) and the Elsinore Valley Water and Sewer Facilities Corporation (“Corporation”).

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (“GASB”) Statement 14, as amended by GASB 61. The District is the primary government unit. Despite being legally separate, the Corporation and WESA are so intertwined with the District that they are, in substance, part of the District’s operations. Accordingly, the balances and transactions of these component units are reported within the accounts of the District. Component units are those entities which are financially accountable to the primary government. Blended component units, although separate legal entities, are in substance part of the government’s operations. The District has accounted for the Corporation and WESA as blended component units. WESA’s Board of Directors is composed of the District’s Board of Directors and WESA provides services almost entirely to the District. The Corporation’s Board of Directors is appointed by the District’s Board of Directors and the Corporation provides service entirely to the District.

The District was incorporated on December 23, 1950, under the provisions of the California Municipal Water District Act of 1911. The District’s 97 square mile service area lies in Western Riverside County between the cities of Corona and Temecula.

The Corporation was organized on April 21, 1980, pursuant to the NonProfit Public Benefit Corporation Law of the State of California (Title 1, Division 2, Part 2, of the California Corporations Code), solely for the purpose of providing financial assistance to the District by acquiring, constructing, improving and developing certain real and personal property for the use, benefit and enjoyment of the District. The Corporation is blended with the District’s financial statements and does not issue separate audited financial statements.

The Corporation has no remaining assets to distribute, and all known debts and liabilities have been paid. Additionally, the Corporation is no longer conducting business on behalf of the District as the Elsinore Valley Municipal Water District Financing Authority (“Financing Authority”) has assumed responsibility of providing financial assistance to the District. The Corporation’s Board of Directors approved the dissolution of the Corporation in March 2024.

In August 2003, the Board approved an agreement for the formation of the Water Employee Services Authority and an operating agreement between the District and WESA. WESA was established as a joint powers authority between the District and Meeks and Daley Mutual Water Company (“Meeks & Daley”). The purpose of WESA is to provide professional water and wastewater employee services to both agencies. In September 2003, the Meeks and Daley Board also approved both agreements. With approval of these operating agreements, District employees were transferred to WESA. A separately issued audited financial report is available for WESA and may be obtained by contacting the District’s office.

In May 2013, the District and WESA formed the Elsinore Valley Municipal Water District Financing Authority (“EVMWDF”) to facilitate a pooled refunding of existing Community Facilities District (“CFD”) Bonds. These bonds were originally issued to finance water and sewer facilities owned and operated by the District. The formation of EVMWDF provided the ability to assist in financing or refinancing public capital improvement projects that will encourage economic development. It has been determined that EVMWDF is not a component unit of the District. A separately issued financial report is available for the Authority and may be obtained by contacting the District’s Office.

b. Basis of Accounting and Measurement Focus:

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods and services to the general public on a continuing basis (including depreciation), are financed through user fees and charges. For financial reporting purposes, all of the funds and component units of the District have been consolidated after elimination of significant inter-fund accounts and transactions. Revenues and expenses are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred. An enterprise fund is accounted for using the economic resources measurement focus. This means that all assets and liabilities associated with the activity (whether current or noncurrent) are included on the statement of net position.

The District distinguishes between operating and non-operating revenues and expenses. Operating revenues are those revenues that are generated by providing water, wastewater and recycled water services while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of supplying water, wastewater and recycled water services.

The District also reports Custodial Funds as a Fiduciary Fund type. The custodial funds are used to account for taxes received for special assessment debt for which the District is not obligated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fiduciary Funds:

- Community Facilities District 98-2 Custodial Fund - used for debt service requirements of Community Facilities District No. 98-2.
- Community Facilities District 2003-2 Custodial Fund - used for debt service requirements of CFD 2003-2 Special Tax Refunding Bond Series 2014A.
- Community Facilities District 2002-1 Custodial Fund - used for debt service requirements of CFD 2002-1 Special Tax Refunding Bond Series 2014A.
- Community Facilities District 2003-1 Custodial Fund - used for debt service requirements of CFD 2003-1 Special Tax Refunding Bond Series 2014A.
- Community Facilities District 2004-1 Custodial Fund - used for debt service requirements of CFD 2004-1 Special Tax Refunding Bond Series 2016.
- Community Facilities District 99-1 Custodial Fund - used for debt service requirements of CFD 99-1 Special Tax Refunding Bond Series 2016.
- Community Facilities District 2020-1 IA-1A Custodial Fund - used for debt service requirements of Community Facilities District No. 2020-1 Improvement area 1A.
- Community Facilities District 2020-1 IA-2A Custodial Fund - used for debt service requirements of Community Facilities District No. 2020-1 Improvement area 2A.
- Community Facilities District 2020-1 IA-3A Custodial Fund - used for debt service requirements of Community Facilities District No. 2020-1 Improvement area 3A.

c. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Restricted Resources:

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

e. Budgetary Information:

Although the District prepares and approves an annual budget, budgetary information is not presented because the District is not legally required to adopt a budget. In this situation, GAAP does not require presentation of budgetary information.

f. Claims & Judgments:

When it is probable that a claim liability has been incurred at year-end and the amount of the loss can be reasonably estimated, the District records the estimated loss, net of any insurance coverage under its self-insurance program. As of June 30, 2024, in the opinion of legal counsel, the District had no material claims which would require loss provision in the financial statements.

g. Comparative Data & Reclassifications:

In accordance with GASB Statement No. 100, Accounting Changes and Error Corrections, certain comparative amounts have been reclassified to conform with the current period’s presentation. Specifically, lease income, previously reported as operating revenue, has been reclassified to non-operating revenue. Other reclassifications were applied to properly present the SRF Debt Reserves from Unrestricted Net Position to Restricted Net Position in the amounts of \$8.4 million and \$7.3 million for fiscal years 2024 and 2023 respectively.

h. New Effective Accounting Pronouncements:

The Governmental Accounting Standards Board has issued the following Statements, which affected the District’s current financial reporting.

GASB Statement No. 100, “Accounting Changes and Error Corrections.” The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 30, 2023, and all reporting periods thereafter.

Implementation Guide No. 2023-1, "Implementation Guidance Update—2023." The purpose of this Implementation Guide is to clarify, explain, and elaborate on GASB statements. The guide includes new questions and answers that address issues related to leases, subscription-based information technology arrangements (SBITAs), accounting changes, and error corrections. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

i. **Future Accounting Pronouncements:**

The Governmental Accounting Standards Board has issued the following Statements, which may affect the District's financial reporting in the future.

GASB Statement No. 101, "Compensated Absences." The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, "Certain Risk Disclosures." The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, "Financial Reporting Model Improvements." The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

j. **Cash & Cash Equivalents:**

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

k. **Restricted Assets:**

Amounts shown as restricted assets have been restricted by either bond indenture, law, or contractual obligations to be used for specified purposes, such as servicing bonded debt and construction of capital assets.

l. **Allowance for Doubtful Accounts:**

The District has a policy which requires that uncollectible accounts for water, wastewater, and other services be written off 45 days after closing an account. The Allowance for Doubtful Accounts is deducted against the Account and Note Receivable on the Statement of Net Position. The amount of allowance for doubtful accounts is \$132,157 as of June 30, 2024 and \$195,168 as of June 30, 2023.

The amount written off is \$195,566 for June 30, 2024 and \$469,031 for June 30, 2023.

m. **Inventories:**

The District utilizes a standard (or average) cost method of valuing inventories consisting of materials and supplies for utility plant construction and repairs.

n. **Investments:**

As a governmental entity other than an external investment pool, in accordance with GASB 31, the District's investments are stated at fair value. In applying GASB 31, the District utilizes the following methods and assumptions:

- 1) Fair value is based on quoted market prices as of the valuation date;
- 2) The portfolio does not hold investments in:
 - (a) Items subject to involuntary participation in an external pool;
 - (b) Items associated with a fund other than the fund to which the income is assigned;

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3) The gain or loss resulting from valuation is reported within the revenue account, "Investment Income" on the Statement of Revenues, Expenses and Changes in Net Position.

o. Leased Assets:

Under GASB Statement No. 87, Leases, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. As of June 30, 2024 the value of the leased assets net of depreciation is \$544,111 and the related lease liability is \$568,006. See Note 6 for details.

p. Subscription-Based Information Technology Arrangements (SBITA) Assets:

Under GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), the District is required to recognize a subscription liability and an intangible right-to-use subscription asset. As of June 30, 2024 the value of the SBITA assets net of depreciation is \$1,747,566 and the related SBITA liability is \$1,758,265. See Note 7 for details.

q. Capital Assets:

Capital Assets are valued at historical cost or estimated historical cost if actual cost is not available. Contributed assets are valued at acquisition value on the date contributed. The District maintains a threshold of \$10,000 for capital asset capitalization.

Depreciation of capital assets used by the District is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method with asset lives as follows:

Category	Number of Years
Reservoirs - storage	50 - 100
Source of supply	5 - 30
Pumping and water treatment facilities	40
Transmission and distribution	50
Meter and services	30
Wastewater treatment plant and collection system	5 - 50
Transportation equipment	5 - 20
Studies, Tools, Equipment (Office or Laboratory)	5 - 10

r. Deferred Outflows/Inflows of Resources:

Deferred outflows of resources represent a consumption of net assets that applies to future periods while deferred inflows of resources represent an acquisition of net assets that applies to future periods.

The District has three items that qualify as deferred outflows of resources. The first is the unamortized bond redemption costs. The bond redemption costs resulted from the refunding of the Series 2007A and 2008A Certificates of Participation with the Series 2016A Revenue Bonds and the refunding of the 2008B and 2011A Certificates of Participation with the Series 2021A Water Revenue Bonds. These amounts are deferred and amortized over the remaining life of the Bonds. As of June 30, 2024, the District reported a balance of \$4.4 million in unamortized bond redemption due to the refundings.

GASB 68 took effect for fiscal years beginning after June 15, 2014. The purpose of this statement is to improve accounting and financial reporting by public agencies for pensions.

The implementation of GASB 68 created the second and third deferred outflows of resources: employee pension contributions and other employee pension items. As of June 30, 2024, the District reported a combined balance of \$13.1 million in deferred outflows of resources related to pensions. A more detailed description of the deferred outflows of resources related to employee pensions is discussed in Note 9.

The District has two items that qualify as deferred inflows of resources. The implementation of GASB 68 also created a deferred inflow of resources related to other employee pension related items. As of June 30, 2024, the District reported a balance of \$61 thousand in deferred inflows of resources related to pensions. A more detailed description of the deferred inflows of resources related to employee pensions is discussed in Note 9.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

The implementation of GASB 87 also created a deferred inflow of resources which corresponds to the lease receivable and the recognition of revenue over future reporting periods. Total deferred inflows of resources related to leases are \$111.1 million and \$113.6 million at June 30, 2024 and 2023 respectively. A more detailed description of the deferred inflows of resources related to leases is discussed in Note 16.

s. **Compensated Absences:**

Accumulated unpaid vacation, sick pay, savings clause, and compensated time-off amounts are accrued when incurred. Total accrued compensated absences are \$5,460,699 and \$4,680,298 at June 30, 2024 and 2023, respectively (see Notes 11 and 12).

t. **Property Taxes:**

Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent of county-wide assessed valuations. This one percent is allocated pursuant to state law to the appropriate units of local government.

The property tax calendar is as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Dates:	First Installment - November 1 Second Installment - February 1
Delinquent Dates:	First Installment - December 10 Second Installment - April 10

Taxes are collected by Riverside County and are remitted to the District periodically according to the following schedule. Dates and percentages may vary slightly from year to year:

December	30% Advance - First Installment
January	Balance of First Installment (to 55%)
April	10% Advance - Second Installment
May	Balance of Second Installment (to 95%)
August	Third Installment (to 100%)
October	Final Teeter Plan Settlement

In addition, the District collects assessments to provide for payment of bond principal and interest in its community facilities districts. All assessments collected for debt service are maintained in separate accounts designated for payment of the debt.

u. **Maintenance Costs:**

All expenditures for maintenance and repair of property, including refurbishment of minor items, are charged to the appropriate maintenance expense accounts. A betterment or replacement of a unit of property is accounted for as an addition or retirement of property.

v. **Capital Contributions:**

Capital Contributions represent: (a) cash or capital asset additions contributed to the District by property owners or developers desiring services that require capital expenditures or capacity commitment, and (b) costs of capital asset additions funded by grants. Depreciation of contributed capital asset additions is charged to operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

The following special charges levied by the District against newly connecting customers are being accounted for as capital contributions as of June 30, 2024:

Water Facilities:

Meter Installations (by meter size)	\$ 520	to \$7,157 per service
Storage Participation Tank Charges	\$ 2,799	per capacity unit
Temescal Valley Project	\$ 3,428	per capacity unit
Pumping Plant	\$ 1,566	per capacity unit
Transmission Facilities	\$ 4,696	per capacity unit
Source of Supply	\$ 3,447	per capacity unit

Wastewater Facilities (per Equivalent Dwelling Unit):

Sewer Facility	Regional / Canyon Lake	Alberhill
Treatment Plant	\$ 4,792	\$ 9,928
Collection	4,524	4,524
Total	\$ 9,316	\$ 14,452

w. **Operating Revenue vs. Non-Operating Revenue:**

Operating revenue is the total amount of income generated from the District’s primary business activities such as the sale of water, wastewater, recycled water and other day to day engineering services and administrative fees that are also part of the District’s primary activities such as plan check and other engineering fees, master plan update fees, processing fees and other miscellaneous income.

Non-operating revenue on the other hand, is the total amount of income generated by activities outside of the District’s primary operation such as revenue from property taxes, lease revenues, gains and losses from investments, gains and losses from the sale or disposal of properties, federal or state grants, capacity fees, contributed capital from developers and other non operating income.

2. CASH AND INVESTMENTS:

Cash and investments as of June 30, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Current Assets:

Cash & cash equivalents	\$ 36,949,044
Restricted assets	8,602,820
Investments maturing \leq one year	80,904,655

Noncurrent Assets:

Investments	138,707,707
Total Cash and Investments	<u>\$ 265,164,226</u>

Cash and investments as of June 30, 2024 consist of the following:

Cash on Hand / Deposits with financial institutions	\$ 12,373,012
Investments (includes fair value adjustment)	252,791,214
Total Cash and Investments	<u>\$ 265,164,226</u>

Cash & cash equivalents:

LAIF	\$ 142,337
CAMP	24,159,567
Money Market Mutual Funds	274,129
Cash on Hand / Deposits with financial institutions	12,373,012
	<u>\$ 36,949,044</u>

2. CASH AND INVESTMENTS (CONTINUED):

Investments authorized by the California Government Code and the District’s Investment Policy:

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of the debt agreements of the District, rather than the general provisions of the California Government Code or the District’s investment policy. The maximum percentage portfolio excludes amounts held by bond trustee that are not subject to California Government Code restrictions.

Authorized Investment Type	Authorized by Investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment per Issuer
State and Local Agency Securities	Yes	5 Years	10%	None
U.S. Treasury Obligations*	Yes	30 Years	None	None
Federal Agency Securities*	Yes	30 Years	50%	None
Banker’s Acceptances	Yes	180 Days	10%	30 %
Commercial Paper	Yes	270 Days	10%	None
Negotiable & Non-Negotiable CDs	Yes	None	10%	None
Repurchase Agreements	Yes	90 Days	5%	None
Medium Term Notes	Yes	5 Years	30%	None
Supranational Obligation	Yes	5 Years	10%	None
Mutual Funds	Yes	5 Years	20%	10%
Money Market Mutual Funds	Yes	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	\$75M	\$75M
Local Government Investment Pools (LGIPs)	Yes	N/A	None	None
Passbook Savings	Yes	N/A	None	None

**The final maturity from the date of settlement is limited to five years with the exception of US Treasuries and Agencies. Reserve funds may be invested in securities exceeding five years if the maturities of such investments are made to coincide nearly as practicable with the expected use of funds.*

Investments Authorized by Debt Agreements:

Investment of debt proceeds held by bond trustee, are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District’s investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The tables on the following pages identify certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury Obligations	30 Years	None	None
Federal Agency Securities	5 Years	40%	None
Bankers Acceptances	180 days	10%	30%
Commercial Paper	270 days	10%	None
Non-Negotiable CDs	None	None	None
Repurchase Agreements	90 Days	5%	None
Money Market Mutual Funds	N/A	15%	10%
Investment Contracts	None	None	None
LAIF	N/A	\$75M	\$75M
Passbook Savings	N/A	None	None

2. CASH AND INVESTMENTS (CONTINUED):

Interest Rate Risk:

Interest Rate Risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value is to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide cash flow and liquidity needed for operations. The District monitors the inherent interest rate risk in its portfolio by measuring the weighted average maturity of its portfolio. The District has no specific limitations with respect to this metric.

Investment Type	Total Amount	Weighted Average Maturity (in years)	≤ 90 days	≤ one year	> one year
U.S. Treasury Obligations	\$ 102,714,245	2.8	\$ 16,067,350	\$ 24,581,745	\$ 62,065,150
Federal Agency Securities	68,092,558	1.9	9,963,850	11,910,456	46,218,252
Supranationals	3,821,340	4.2	-	-	3,821,340
Asset Backed Securities	2,896,818	1.7	-	-	2,896,818
Medium Term Notes	39,702,400	1.7	4,363,077	14,018,178	21,321,146
Local Agency Bonds	2,385,000	8.3	-	-	2,385,000
	<u>219,612,361</u>		<u>\$ 30,394,277</u>	<u>\$ 50,510,378</u>	<u>\$ 138,707,706</u>
Money Market Mutual Funds	274,129	n/a			
CAMP	24,159,567				
LAIF	142,337	n/a			
Held with Fiscal Agent:					
Money Market Mutual Funds	<u>8,602,820</u>	n/a			
Total	<u>\$ 252,791,214</u>				

Concentration of Credit Risk:

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the District's investment in a single investment. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issue (other than for U.S. Treasury securities, mutual funds, and external investment pools) that represent 5 percent or more of the total District's investments are as follows:

Issuer	Investments Type	Amount	%
Federal Home Loan Banks	Federal Agency	\$ 25,646,760	10.1
Federal Farm Credit Bank	Federal Agency	\$ 24,211,518	9.6

2. CASH AND INVESTMENTS (CONTINUED):

Credit Risk:

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a nationally recognized statistical rating organization. The following is the minimum rating required by the California Government Code (where applicable), the District’s investment policy, or debt agreements, and the actual rating (as rated by Moody’s or S&P) as of year-end for each investment type:

Investment Type	Amount	Min	Not	Ratings as of Year End			
		Legal Rating	Required to be Rated	Aaa	Aa	A	Unrated
U.S. Treasury	\$ 102,714,245	N/A	\$ 102,714,245	\$ -	\$ -	\$ -	\$ -
Federal Agency	68,092,558	N/A	-	68,092,558	-	-	-
Supranationals	3,821,340	AA	-	3,821,340	-	-	-
Asset Backed Securities	2,896,818	A	-	2,896,818	-	-	-
Medium Term Notes	39,702,400	AA	-	10,821,721	8,924,855	19,955,825	-
Local Agency Bonds	2,385,000	A	-	-	-	-	2,385,000
Money Market Mutual Funds	274,129	Aaa	-	274,129	-	-	-
CAMP	24,159,567	N/A	-	24,159,567	-	-	-
LAIF	142,337	N/A	-	-	-	-	142,337
<u>Held with Fiscal Agent:</u>							
Money Market Mutual	8,602,820	Aaa	-	8,602,820	-	-	-
Total	\$ 252,791,214		\$ 102,714,245	\$ 118,668,953	\$ 8,924,855	\$ 19,955,825	\$ 2,527,337

Custodial Credit Risk:

The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

The fair value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

GASB Statement No. 40 requires the disclosure of the deposits into a financial institution that are not covered by FDIC depository insurance and are uncollateralized. As of June 30, 2024, the carrying amount of the District’s deposits was \$12,373,012 and the corresponding bank balance was \$10,577,054. The difference of \$459,169 was primarily due to outstanding warrants, wires and deposits in transit. Of the bank balance, \$250,000 was insured by FDIC depository insurance, and the remainder secured by pledged securities as discussed above.

Custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

2. CASH AND INVESTMENTS (CONTINUED):

As of June 30, 2024, District investments in the following investment types were held by the safekeeping department of US Bank utilized by the District in the management of its investments.

Investment Type	Total Amount
U.S. Treasury Obligations	\$ 102,714,245
Federal Agency Securities	68,092,558
Medium Term Notes	39,702,400
Supranationals	3,821,340
Asset Backed Securities	2,896,818
Money Market Mutual Funds	274,129

Fair Value Measurements:

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The District has the following recurring fair value measurements as of June 30, 2024:

Investment by Fair Value Level	Quoted Prices - Level 1	Observable Inputs - Level 2	Unobservable Inputs - Level 3	Total
U.S. Treasury Obligations	\$ -	\$ 102,714,245	\$ -	\$ 102,714,245
Federal Agency Securities	-	68,092,558	-	68,092,558
Medium Term Notes	-	39,702,400	-	39,702,400
Supranationals	-	3,821,340	-	3,821,340
Asset Backed Securities	-	2,896,818	-	2,896,818
Local Agency Bonds	-	2,385,000	-	2,385,000
	\$ -	\$ 219,612,361	\$ -	\$ 219,612,361

Investments not subject to the Fair Value hierarchy:

LAIF	142,337
CAMP	24,159,567
Money Market Mutual Funds	274,129

Held with Fiscal Agent:

Money Market Mutual Funds	8,602,820
Total	\$ 252,791,214

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. The District does not have any securities that fall within Level 1:3 of the fair value hierarchy.

In accordance with GASB 72, certain investments that were measured at Net Asset Value ("NAV") per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net position.

2. CASH AND INVESTMENTS (CONTINUED):

Investment Pools:

The District is a voluntary participant in the Local Agency Investment Fund (“LAIF”) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the District’s pro-rata share of the fair value provided LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF’s investment portfolio are mortgage-backed securities, other asset backed securities, loans to certain state funds, securities with interest rates that vary according to changes in rates greater than a one-for-one basis, and structured notes. For withdrawals over \$10,000,000, LAIF requires at least 24-hour notice. Also, there is a \$5,000 minimum and a limit of 15 transactions per month.

The District is a voluntary participant in CAMP, a Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Code Section 601(p). CAMP is directed by a Board of Trustees (of which the Agency is a member), which is made up of experienced local government finance directors and treasurers. There are no withdrawal limitations or restrictions.

3. INVESTMENT IN COMMON STOCK – MUTUAL WATER COMPANY:

The Meeks and Daley Water Company (“Meeks and Daley”) is a mutual water company whose purpose is to provide non-potable water to its shareholders based upon the number of shares owned. The District owns shares in Meeks and Daley and considers this as an investment in common stock, accounting for it under the equity method.

As of June 30, 2024, the District owned 469,665 shares of voting common stock representing an ownership interest of approximately 58.05 percent. The carrying value of the District’s investment approximates its share of the underlying equity in the net position of the company. Meeks and Daley’s reported assets of \$10,162,587, liabilities of \$239,582 and a net income of \$324,323 for the year ended June 30, 2024.

The District recorded an income of \$323,332 from its investment in the Meeks and Daley for the year ended June 30, 2024, which increased its investment balance from \$5,467,383 to \$5,790,715.

Separate audited financial statements for the Company can be obtained from the District at 31315 Chaney Street, Lake Elsinore, CA 92530.

4. INVESTMENT IN JOINT VENTURE - SRRRA:

On November 12, 2015, the District, under Section 6500 of the Government Code of the State of California, entered into a Joint Exercise of Powers Agreement between Rancho California Water District (“RCWD”) and Western Municipal Water District (“WMWD”); to create the Santa Rosa Regional Resources Authority (“SRRRA”). SRRRA was created as a public agency, separate from its Member Agencies, for the ownership, operation, maintenance, and administration of the Santa Rosa Water Reclamation Facilities (“SRWRF”), on a cooperative basis for the collection, treatment of wastewater and the disposal of wastewater treatment byproducts.

The Member Agencies have pipeline and treatment capacity, as well as recycled effluent rights. Each Member Agency owns and has the right to control, transfer and derive all financial benefit from the treated wastewater and recycled water produced by the Facilities, less any amount consumed during the operation of the Facilities.

Budgeting occurs in accordance with the Joint Exercise of Powers Agreement for SRRRA and is done in four sections; general operating, non-operating, capital projects and specific projects. Each Member Agency is responsible for paying its corresponding share of these budgeted amounts payable on agreed terms and dates.

The District has an explicit, measurable right to the net resources of SRRRA and considers this as an investment in a joint venture, accounting for it under the equity method.

4. INVESTMENT IN JOINT VENTURE - SRRRA (CONTINUED):

Separate audited financial statements for the Company can be obtained from the Rancho California Water District at 42135 Winchester Road, Temecula, CA 92590. The summary as of June 30, 2024 and 2023 are as follows:

	June 2024	June 2023 ⁽¹⁾
Total Assets	\$ 84,292,753	\$ 85,733,305
Total Liabilities	70,209,240	74,470,644
Total Net Position	\$ 14,083,513	\$ 11,262,661
Increase/(Decrease) in Net Position	\$ 2,820,852	\$ 1,754,764

(1) Prior year figures updated to reflect updated audited figures

5. RECEIVABLE FROM CFDs:

The Receivable from CFD represents the amount owed to the District from the 2016 Special Tax Refunding Bonds. In fiscal year 2016, property tax receipts totaling \$147,307 from CFD 2003-1 Watermark were improperly applied to CFD 2004-1 Woodmoor. The misapplied funds were inadvertently included in the funds determined to be available for the refunding of the original CFD 2004-1 Woodmoor Bonds. As a result, the 2016 Special Tax Refunding Bonds repaid the District these funds through the annual assessment of administration expenses over the remaining life of the bonds (22 years). Payments commenced in fiscal year 2017-2018 and final payment was made in fiscal year 2024. The balance as of June 30, 2024 is \$0.

6. LEASED ASSETS AND LEASE PAYABLE:

For the year ended June 30, 2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of June 30, 2024, the District had 68 active leases. The combined value of the right to use asset of \$1,554,953 with accumulated amortization of \$1,101,842, for a net leased assets of \$544,111. This is included within the Lease Class activities table found below. As of June 30, 2024, the total combined value of the lease liability is \$568,006, and the total combined value of the short-term lease liability is \$255,953. The leases had \$0 of Variable Payments and \$0 of Other Payments, not included in the Lease Liability, within the Fiscal Year. The leases have interest rates that range from 0.5020% to 6.8796%.

District as Lessee:

Amount of Lease Assets and Lease Payable by Major Classes of Underlying Asset

Asset Class	Lease Asset Value	Accumulated Amortization	Lease Payable
Vehicles	\$ 1,429,363	\$ 907,817	\$ 544,208
Equipment	56,891	53,600	2,845
Computer Equipment	68,699	49,425	20,953
Total Leases	<u>\$ 1,554,953</u>	<u>\$ 1,010,842</u>	<u>\$ 568,006</u>

Principal and Interest Requirements to Maturity:

Fiscal Year	Principal	Interest	Total Payments
2025	\$ 255,953	\$ 20,647	\$ 276,600
2026	189,515	10,606	200,121
2027	90,224	3,476	93,700
2028	24,379	1,053	25,432
2029	7,935	99	8,868
	<u>\$ 568,006</u>	<u>\$ 35,881</u>	<u>\$ 604,721</u>

7. SBITA ASSETS AND SBITA PAYABLE:

For the year ended June 30, 2024, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of June 30, 2024, the District had 9 active subscriptions. The combined value of the right to use asset of \$3,279,006 with accumulated amortization of \$1,531,439 is included within the Subscription Class activities. As of June 30, 2024, the total combined value of the subscription liability is \$1,758,265, and the total combined value of the short-term SBITA liability is \$494,826. The subscriptions had \$0 of Variable Payments and \$0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year. The Subscriptions have an average interest rate that range from 0.1850% to 2.1567% are included with Software within the Subscription Class activities table found below:

Amount of Subscription Assets and Subscription Payable by Major Classes of Underlying Asset:

Asset Class	Subscription Asset Value	Accumulated Amortization	Subscription payable
Software	\$ 3,279,006	\$ 1,531,439	\$ 1,758,265
Total Subscription	\$ 3,279,006	\$ 1,531,439	\$ 1,758,265

Principal and Interest Requirements to Maturity:

Fiscal Year	Principal	Interest	Total Payments
2025	\$ 494,826	\$ 5,673	\$ 500,499
2026	502,482	3,741	506,223
2027	376,059	1,746	377,805
2028	384,898	883	385,781
	\$ 1,758,265	\$ 12,043	\$ 1,770,308

8. CAPITAL ASSETS:

	Balance June 30, 2023	Additions	Retirements/ Transfers	Balance June 30, 2024
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 7,913,561	\$ -	\$ -	\$ 7,913,561
Construction in Progress	142,358,656	93,388,615	(25,520,071)	210,227,200
Water Rights	33,427,810	9,075,423	-	42,503,233
Total Capital Assets Not Being Depreciated	183,700,027	102,464,038	(25,520,071)	260,643,994
<u>Capital Assets Being Depreciated/Amortized:</u>				
Infrastructure - Water	465,140,274	9,151,969	(32,308)	474,259,935
Infrastructure - Wastewater	422,006,935	5,396,253		427,403,188
Buildings and Structures	24,590,079	34,833		24,624,912
Vehicles and Equipment	8,920,654	304,610	(1,904,156)	7,321,108
Miscellaneous	2,418,200	1,556,983	(235,637)	3,739,546
Right to use leased vehicles and equipment	1,863,462	152,619	(461,128)	1,554,953
Right to use subscriptions	3,423,210	-	(144,204)	3,279,006
Total Capital Assets Being Depreciated/ Amortized	928,362,814	16,597,267	(2,777,433)	942,182,648
<u>Less Accumulated Depreciation/Amortization:</u>				
Infrastructure - Water	(224,458,828)	(11,578,048)	(1,490,387)	(237,527,263)
Infrastructure - Wastewater	(164,153,250)	(8,514,876)	2,983,175	(169,684,951)
Buildings and Structures	(16,168,801)	(595,819)	2,107,505	(14,657,115)
Vehicles and Equipment	(7,996,305)	(364,227)	(444,252)	(8,804,784)
Miscellaneous	(1,567,579)	(238,837)	(1,024,452)	(2,830,868)
Right to use leased vehicles and equipment	(1,090,807)	(380,518)	460,483	(1,010,842)
Right to use subscriptions	(1,109,788)	(565,856)	144,204	(1,531,440)
Total Accumulated Depreciation/Amortization	(416,545,358)	(22,238,181)	2,736,276	(436,047,263)
Total Capital Assets Being Depreciated/ Amortized, Net	511,817,456	(5,640,914)	(41,157)	506,135,385
Capital Assets, Net	\$ 695,517,483	\$ 96,823,124	\$ (25,561,228)	\$ 766,779,379

8. CAPITAL ASSETS (CONTINUED):

Major components of Construction Work In Progress (CIP):	Amount Authorized	Cumulative Expenditures June 30, 2024	Unexpended Commitments
Water Facilities	\$ 55,831,877	\$ 29,498,696	\$ 26,333,181
Wastewater Facilities	47,639,804	20,581,294	27,058,510
Regional Water Reclamation Facility Expansion Construction	41,448,720	45,007,111	(3,558,391)
Horsethief Canyon Water Reclamation Facility Rehab and Expansion	37,071,354	34,520,783	2,550,571
Other District Facilities	26,773,895	6,379,005	20,394,890
Lee Lake Well Conversion	23,216,676	5,660,787	17,555,889
Mills Capacity Line (12CFS)	12,373,622	130	12,373,492
Diamond Regional Lift Station Dual Force Main	10,672,376	2,722,125	7,950,251
Mayhew Well (New)	7,789,726	1,512	7,788,214
Palomar Wells	5,356,470	3,286,158	2,070,312
Tomlin Pipeline Replacement	5,235,900	393,907	4,841,993
Highway 74/Ethanac Sewer Extension (ARPA)	4,238,966	1,150,616	3,088,350
Total Major Components of CIP	\$ 277,649,386	\$ 149,202,124	\$ 128,447,262

Allow for rounding differences

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM:

Overview:

Governmental Accounting Standards Board (GASB) Statement No.68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27 (GASB 68), requires public employers to comply with new accounting and financial reporting standards. GASB 68 outlines a different approach to the recognition and calculation of pension obligations. Under GASB 68, employers that participate in a defined benefit pension plan administered as a trust or equivalent arrangement are required to record their portion of the net pension liability, pension expense, and deferred outflows/deferred inflows of resources related to pensions in their financial statements as part of their financial position.

Net pension liability is the plan’s total pension liability based on the entry age normal actuarial cost method less the plan’s fiduciary net position. This may be a net pension asset when the Plan’s fiduciary net position exceeds its total pension liability.

Pension expense is the change in net pension liability from the previous reporting period to the current reporting period less adjustments. This may be a negative expense (pension income), which should be reported as a credit in pension expense.

Deferred outflows of resources and deferred inflows of resources related to pensions are certain changes in total pension liability and fiduciary net position that are to be recognized in future pension expenses.

Summary of Significant Accounting Policies:

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2022
Measurement Date (MD)	June 30, 2023
Measurement Period (MP)	July 1, 2022 to June 30, 2023

General Information about the Pension Plan

Plan Description:

The Plan is an agent, multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (“CalPERS”). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information are listed in the June 30, 2022, Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website.

Benefits Provided:

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 or 52 depending on the plan, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following; the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM (CONTINUED):

The Plan's provisions and benefits in effect at June 30, 2024 are summarized as follows:

	Miscellaneous		
	Inactive before January 1, 2008	Active & Classic On or Before January 1, 2013	New Members On or After January 1, 2013
Hire Date			
Benefit Formula	2.0% @ 55	2.7% @ 55	2.0% @ 62
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Retirement Age	50 - 63	50 - 55	52 - 67
Monthly Benefits, as a % of Eligible Compensation	1.1% to 2.4%	2.0 % to 2.7%	1.0% to 2.0%
Required Employee Contribution Rates	7.00%	7.90%	7.75%
Required Employer Contribution Rates	13.35%	13.35%	13.35%
Employer Payment of Unfunded Liability	18.70%	18.70%	18.70%

Employees Covered:

At June 30, 2024, the following employees were covered by the benefit terms:

	Miscellaneous
Active employees	168
Transferred members	104
Terminated employees	96
Retired members and beneficiaries	191
Total	559

Contribution Description:

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1st following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contribution.

Net Pension Liability

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM (CONTINUED):

Actuarial Methods and Assumptions Used to Determine Total Pension Liability:

The June 30, 2022 valuation was rolled forward to determine the June 30, 2023 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CALPERS' Membership data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Long-Term Expected Rate of Return:

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

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

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

Asset Class ⁽¹⁾	Assumed Asset Allocation	Real Return ^(1,2)
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non Cap weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Date	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021 Asset Liability Management study.

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM (CONTINUED):

Changes of Assumptions:

There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.9%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016 and 7.5% for measurement date June 30, 2014.

Discount Rate:

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

Pension Plan Fiduciary Net Position:

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. For example, for the accounting reports, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in your funding actuarial valuation.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at: 6/30/2022 Measurement Date	\$ 129,175,499	93,761,275	\$ 35,414,224
Changes Recognized for the Measurement Period:			
Service Cost	3,135,871	-	3,135,871
Interest on Total Pension Liability	8,946,678	-	8,946,678
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	1,864,765	-	1,864,765
Contributions- employer	-	4,894,596	(4,894,596)
Contributions- employee	-	1,328,776	(1,328,776)
Net Investment Income	-	5,834,881	(5,834,881)
Benefit Payments, including Refunds of Employee Contributions	(5,892,395)	(5,892,395)	-
Administrative Expense		(68,948)	68,948
Net Changes during 2022-2023	\$ 8,054,919	6,096,910	\$ 1,958,009
Balance at: 6/30/2023 Measurement Date	\$ 137,230,418	99,858,185	\$ 37,372,233

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM (CONTINUED):

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.9%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9%) or 1 percentage-point higher (7.9%) than the current rate:

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability	\$57,176,993	\$37,372,233	\$21,192,182

Subsequent Events:

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

Amortization of Deferred Outflows and Deferred Inflows of Resources:

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

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

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

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

Expected Average Remaining Service Lifetime (EARSL):

The EARSL for the Plan for measurement period ending the June 30, 2023 is 3.6 years, which was obtained by dividing the total service years of 1,981 (the sum of remaining service lifetimes of the active employees) by 547 (the total number of participants: active, transferred, terminated, and retired). Inactive employees and retirees have remaining service lifetimes equal to -0-. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

9. DISTRICT EMPLOYEES RETIREMENT SYSTEM (CONTINUED):

Pension Expense/(Income) for Measurement Period ended June 30, 2023

As of the start of the measurement period (July 1, 2022), the net pension liability was \$35,414,224.

For the measurement period ending June 30, 2023 (the measurement date), the District incurred a pension expense of \$7,403,802 for the Plan. A complete breakdown of the pension expense is as follows:

<u>Description</u>	<u>Amount</u>
Service Cost	\$ 3,135,871
Interest on Total Pension Liability	8,946,678
Recognized Changes in Assumptions	1,353,451
Recognized Differences Between Expected and Actual Experience	790,660
Employee Contribution	(1,328,776)
Projected Earnings on Pension Plan Investments	(6,476,451)
Recognized Differences Between projected and Actual Earnings on Plan Investments	913,421
Administrative Expense	68,948
Total Pension Expense	\$ 7,403,802

Deferred Outflows and Deferred Inflows of Resources Related to Pensions:

The following table represents deferred outflows and deferred inflows of resources related to pensions as of June 30, 2023. Note that no adjustments to the net pension liability have been made for contributions subsequent to the measurement date. Appropriate treatment of any contributions made after the measurement date is the responsibility of the District.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of Assumptions	\$ 2,165,520	\$ -
Differences Between Expected and Actual Experience	1,451,348	(61,239)
Net Difference Between Projected and Actual Earnings on Pension Plan Investment	4,502,397	
Pension contributions subsequent to measurement date	5,024,486	
Total	\$ 13,143,751	\$ (61,239)

\$5,024,486 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources (net amount of \$8,058,026) related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/ (Inflows) of Resources
2025	\$ 2,756,283
2026	1,793,395
2027	3,380,034
2028	128,314
2029	-
Thereafter	-

Payable to the Pension Plan

At June 30, 2024, the District reported a payable of \$13,250 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

10. FIDUCIARY FUNDS - COMMUNITIES FACILITIES DISTRICT BONDS:

The District currently has nine outstanding Community Facilities Districts (CFD) and seven with outstanding bond issues. These CFD bonds are not reported as a liability in the accompanying financial statements. Instead they are reported as custodial funds in the Statement of Fiduciary Net Position. The District has no liability for the CFD bonds in the event of default by the property owners. The District's only obligation is to act as an agent remitting to bondholders' amounts collected from property owners. Detailed statements of the fiduciary funds can be found in the Required Supplementary Section.

A Reserve Fund was established for CFD 2002-1, 2003-1, 2003-2, 2020-1 IA-1A, 2020-1 IA-2A, and 2020-1 IA-3A in an amount equal to the reserve requirement as of the closing date of the bonds. These reserves are to be used solely in the event of any deficiency at any time for the purpose of making any principal, interest or premium payments. A Reserve Fund was not established for CFD 1998-2 since the District is the sole bondholder.

To take advantage of low interest rates in 2014 the District formed the Elsinore Valley Municipal Water District Financing Authority (Authority) to help facilitate a pooled refunding of existing CFD bonds. The Authority assists the District in financing or refinancing public capital improvement projects, financing relating to the encouragement of economic development, and the stimulation of public revenues. The Authority is able to issue bonds for the purpose of completing a pooled refinancing of the CFD Bonds. Current CFD bonds under the Authority are CFD 2002-1, 2003-1, and 2003-2.

On December 22, 1998, CFD 1998-2 was formed in order to finance, in part, the acquisition and construction of water and sewer improvements necessary to provide service for nine parcels representing approximately 368 acres in the Wildomar area. The District provided a cash contribution to the project, which is anticipated to be reimbursed through an additional facilities charge on undeveloped property within the benefit area. Bonds in the amount of \$5,500,000 were issued on February 9, 2000, with repayment being provided by a special tax to be placed on each parcel of taxable property. The District purchased the bonds and is still the sole bondholder. These unrated bonds are shown as part of the District's total investments and are set to expire September 1, 2030. The outstanding balance as of June 30, 2024 is \$2,385,000.

On June 23, 1999, CFD 1999-1 was formed to provide tax-exempt financing for public sewer improvements and payment of water and sewer connection fees for approximately 81 acres located in the City of Murrieta. Bonds in the amount of \$4,000,000 were issued on January 4, 2000. In December 2006, CFD 1999-1 was refunded through the issuance of the 2006 Special Tax Refunding Bonds. Bonds in the amount of \$4,315,000 were issued on December 28, 2006. Then in June 2016, the 2006 outstanding bonds were refunded through the private placement of the 2016 Special Tax Refunding Bonds. Bonds in the amount of \$2,673,000 were issued on June 22, 2016, with repayment being provided by a special tax to be placed on each parcel of taxable property. The bonds will expire September 1, 2029 and the outstanding balance as of June 30, 2024 is \$1,419,000.

On June 27, 2002, CFD 2002-1 was formed to provide financing for the construction and acquisition of public facilities and payment of water and sewer connection fees, as well as, Lake Elsinore Unified School District's capacity and school facilities fees for approximately 31.95 acres located in the unincorporated area known as Wildomar. Bonds in the amount of \$2,240,000 were issued May 26, 2004. In February 2014, CFD 2002-1 was refunded through the direct placement of the 2014A Special Tax Refunding Bonds. Bonds in the amount of \$1,818,000 were issued on February 20, 2014 by Elsinore Valley Municipal Water District Financing Authority (Authority) with repayment being provided by a special tax to be placed on each parcel of taxable property. The bonds will expire September 1, 2034 and the outstanding balance as of June 30, 2024 is \$1,149,000. In the event of default, the Trustee and Fiscal Agent have the first right to collect payment for fees, charges and expenses incurred prior to payment of any bond. Installments of principal and interest will then be paid in the following order, on a pro rata basis if available amounts are insufficient; 1) interest on bonds then due and unpaid, 2) principal then due and payable, and 3) overdue installments of principal and interest.

On August 14, 2003, CFD 2003-1 was formed to provide financing for the construction and acquisition of public facilities and payment of water and sewer connection fees for approximately 64.5 acres located in the City of Lake Elsinore. Bonds in the amount of \$4,410,000 were issued September 23, 2004. In February 2014, CFD 2003-1 was refunded through the direct placement of the 2014A Special Tax Refunding Bonds. Bonds in the amount of \$3,634,000 were issued on February 20, 2014 by the Authority with repayment being provided by a special tax to be placed on each parcel of taxable property. The bonds will expire September 1, 2034 and the outstanding balance as of June 30, 2024 is \$2,295,000. In the event of default, the Trustee and Fiscal Agent have the first right to collect payment for fees, charges and expenses incurred prior to payment of any bond. Installments of principal and interest will then be paid in the following order, on a pro rata basis if available amounts are insufficient; 1) interest on bonds then due and unpaid, 2) principal then due and payable, and 3) overdue installments of principal and interest.

On July 10, 2003, CFD 2003-2 was formed to provide financing for the construction and acquisition of public facilities for approximately 135 acres located in the City of Murrieta. Bonds in the amount of \$1,985,000 were issued March 23, 2004. In February 2014, CFD 2003-2 was refunded through the direct placement of the 2014A Special Tax Refunding Bonds. Bonds in the amount of \$1,340,000 were issued on February 20, 2014 by the Authority with repayment being provided by a special tax to be

10. FIDUCIARY FUNDS - COMMUNITIES FACILITIES DISTRICT BONDS (CONTINUED):

placed on each parcel of taxable property. The bonds will expire September 1, 2034 and the outstanding balance as of June 30, 2024 is \$833,000. In the event of default, the Trustee and Fiscal Agent have the first right to collect payment for fees, charges and expenses incurred prior to payment of any bond. Installments of principal and interest will then be paid in the following order, on a pro rata basis if available amounts are insufficient; 1) interest on bonds then due and unpaid, 2) principal then due and payable, and 3) overdue installments of principal and interest.

On December 20, 2004, CFD 2004-1 was formed to provide financing for the construction and acquisition of public facilities and payment of water and sewer connection fees for approximately 62.3 acres located in the City of Lake Elsinore. Bonds in the amount of \$2,130,000 were issued December 30, 2009. In June 2016, the outstanding bonds were refunded through the private placement of the 2016 Special Tax Refunding bonds. Bonds in the amount of \$1,461,000 were issued on June 22, 2016, with repayment being provided by a special tax to be placed on each parcel of taxable property. The bond will expire September 1, 2039 and the outstanding balance as of June 30, 2024 is \$1,133,000.

On January 14, 2021, CFD 2020-1 was formed to help finance the expansion of the Horsethief Water Reclamation Facility as well as other public facilities for approximately 481 acres in the unincorporated area commonly known as Horsethief Canyon. The project is currently entitled to include 1,174 residential units. The CFD was formed with seven improvement areas labeled either Improvement Area "A" or "B". Bonds for Improvement Area 1A, 2A, and 3A were issued in fiscal year 2022 to finance the Horsethief expansion project. The Improvement Area "B" bonds will be issued based on the timing of each development and utilized for additional public facilities of either EVMWD, the Lake Elsinore Unified School District, the County of Riverside, or the County Flood Control District.

Improvement Area No 1A includes approximately 146 acres with residential lot maps expected to be created through the recordation of four phased final subdivision maps. The first three phases are planned for 225 residential lots on approximately 43.30 acres that are subject to the Special Tax. The development of the fourth phase is uncertain and has not been assumed while sizing the Improvement Area No. 1A Bonds. Bonds in the amount of \$4,800,000 were issued September 23, 2021 with repayment being provided by a special tax to be placed on each parcel of taxable property. Principal payments on the bonds will commence September 1, 2024 and will expire September 1, 2051. The outstanding balance as of June 30, 2024 is \$4,800,000.

The Developer within Improvement Area No. 1A has deposited with the District a letter of credit in an amount equal to two years of the Maximum Special Tax on all phases within Improvement Area No. 1A, which may be drawn upon by the District in the event of delinquencies in the payment of Special Taxes.

Improvement Area No 2A includes approximately 46 acres and is planned for 229 single family homes. Approximately 24 acres are expected to be subject to the Special Tax. Bonds in the amount of \$5,145,000 were issued September 23, 2021 for Improvement Area 2A with repayment being provided by a special tax to be placed on each parcel of taxable property. Principal payments on the bonds will commence September 1, 2024 and will expire September 1, 2051. The outstanding balance as of June 30, 2023 is \$5,145,000.

Improvement Area No 3A includes approximately 130 acres and is entitled with 334 single family homes in six planning areas. Approximately 69.553 acres of the property would be subject to the Special Tax at build-out assuming residential use. Bonds in the amount of \$7,550,000 were issued September 23, 2021 for Improvement Area 3A with repayment being provided by a special tax to be placed on each parcel of taxable property. Principal payments on the bonds will commence September 1, 2024 and will expire September 1, 2051. The outstanding balance as of June 30, 2023 is \$7,550,000.

The Developer within Improvement Area No. 3A has deposited with the District a cash deposit in an amount equal to two years of the Special Tax, which may be drawn upon by the District in the event of delinquencies in the payment of Special Taxes.

On March 24, 2022, CFD 2022-1 was formed to provide financing for the construction and acquisition of public facilities and payment of water and sewer connection fees for approximately 89.9 acres located within District territory. Of this acreage, approximately 32.5 acres are expected to be developed into uses subject to a special tax levy. Bonds in the amount of \$12,000,000 were authorized with repayment being provided by a special tax to be placed on each parcel of taxable property. As of June 30, 2024 bonds had not been issued.

On March 24, 2022, CFD 2022-2 was formed to provide financing for the construction and acquisition of public facilities and payment of water and sewer connection fees for approximately 46.7 acres located within District territory. Of this acreage, approximately 32.03 acres are expected to be developed into uses subject to a special tax levy. Bonds in the amount of \$11,000,000 were authorized with repayment being provided by a special tax to be placed on each parcel of taxable property. As of June 30, 2024 bonds had not been issued.

10. FIDUCIARY FUNDS - COMMUNITIES FACILITIES DISTRICT BONDS (CONTINUED):

As of June 30, 2024, the available funds for each CFD are as follows,

CFD #	Amount
1998-2	\$ 665,559
1999-1	413,182
2004-1	125,611
2014-1	1,015,478
2020-1 IA-1A	239,528
2020-1 IA-2A	248,916
2020-1 IA-3A	387,726
	<u>\$ 3,096,000</u>

11. LONG TERM LIABILITIES:

Long-Term Liabilities for the year-ended June 30, 2024 are as follows:

	Balance at June 30, 2023	Additions	Deletions	Amortizations	Balance at June 30, 2024	Amounts Due In One Year
Water Revenue Bonds, net	\$ 95,082,410	\$ -	\$ 6,680,000	\$ (1,162,093)	\$ 87,240,317	\$ 7,030,000
Direct Borrowings:						
Loans Payable	51,071,806	43,650,156	2,932,836	-	91,789,126	3,100,863
Advances from U.S. Government	3,091,783	-	386,473	-	2,705,310	386,473
Total Long-Term Debt, net of						
Unamortized Premium	149,245,999	43,650,156	9,999,309	(1,162,093)	181,734,753	10,517,336
Net Pension Liability	35,414,224	1,958,009	-	-	37,372,233	-
Lease Payable	799,494	152,619	384,107	-	568,006	255,953
SBITA Payable	2,332,176	-	573,911	-	1,758,265	494,826
Accrued Compensated Absences	4,680,298	2,705,817	1,925,416	-	5,460,699	1,139,020
Total Long-Term Liabilities	<u>\$ 192,472,191</u>	<u>\$ 48,466,601</u>	<u>\$ 12,882,743</u>	<u>\$ (1,162,093)</u>	<u>\$ 226,893,956</u>	<u>\$ 12,407,135</u>

Amounts include balances of any unamortized premium/discount and may differ from cash flow figures.

Notes to the Basic Financial Statements

Total future long-term debt maturities as of June 30, 2024 are as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 10,517,335	\$ 3,751,599	\$ 14,268,934
2026	12,008,814	3,694,172	15,702,986
2027	12,503,356	3,284,350	15,787,706
2028	13,001,504	2,850,401	15,851,905
2029	13,485,371	2,395,109	15,880,480
2030-2034	47,063,037	7,174,130	54,237,167
2035-2039	29,995,693	2,801,887	32,797,580
2040-2044	16,769,094	1,157,893	17,926,987
2045-2049	6,270,435	524,887	6,795,322
2050-2054	6,536,904	237,981	6,774,885
2055-2059	1,342,893	12,086	1,354,979
Total	169,494,436	27,884,495	197,378,931
Unamortized Premium	12,240,317	-	12,240,317
Total	\$ 181,734,753	\$ 27,884,495	\$ 209,619,248

Allow for rounding differences

12. EMPLOYEE SAVINGS CLAUSE PLAN:

WESA has two “savings clause” plans; one that is administered for the benefit of the Employee Association (“EA”) for employees hired prior to January 1, 2012 and the other for the benefit of the Management Team Association (“MTA”) for employees hired prior to January 1, 2013. EA employees hired after January 1, 2012 and MTA employees hired after January 1, 2013 are not eligible for the employee savings clause benefit. Both plans credit employees with 160 hours of savings allowance upon completion of 60 months of active service. Beginning with the 63rd month of active service, employees are credited with an additional 40 hours and receive 40 hours of additional savings clause accrual for each 12 months of active service thereafter, to a maximum total of 800 hours. Employees are paid the savings benefit at the rate of pay the employees were earning on their last day of employment with WESA.

Effective January 1, 2018, employees were granted the option to cash out their savings clause early, without the ability or right to continue to earn any additional savings clause and/or to receive any savings clause at retirement or termination. The balance accrued is reported with the compensated absences balance. The amount under this plan was \$1,264,096 and \$1,225,262 as of June 30, 2024 and June 30, 2023, respectively.

13. WATER REVENUE BONDS PAYABLE:

	2024	2023
Water Revenue Bonds, Series 2016A totaling \$71,660,000, dated April 14, 2016, issued to advance refund the 2007A and 2008A Certificates of Participation. Interest is payable semi-annually on July 1 and January 1, with rates ranging from 2.00% in 2016 to 5.00% in 2019 and beyond. Principal amounts are payable annually on each July 1, ranging from \$910,000 in July 2017 up to \$8,060,000 in July 2029 with a final payment of \$310,000 in July 2034.	\$ 44,780,000	\$ 50,740,000
Water Revenue Bonds, Series 2021A totaling \$31,625,000, dated July 1, 2021, issued to advance refund the 2008B and 2011A Certificates of Participation. Interest is payable semi-annually on July 1 and January 1, at 3.00%. Principal amounts are payable annually on each July 1, commencing July 2022 and ranging from \$685,000 in July 2022 to \$4,835,000 in July 2035.	30,220,000	30,940,000
Total Water Revenue Bonds Payable	75,000,000	81,680,000
Unamortized Premium	12,240,318	13,402,410
Net Water Revenue Bonds Payable	\$ 87,240,318	\$ 95,082,410

Future long-term water revenue bond maturities as of June 30, 2024 are as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 7,030,000	\$ 2,977,450	\$ 10,007,450
2026	7,455,000	2,631,525	10,086,525
2027	7,895,000	2,266,025	10,161,025
2028	8,345,000	1,880,225	10,225,225
2029	8,780,000	1,473,800	10,253,800
2030-2034	25,975,000	3,326,575	29,301,575
2035-2036	9,520,000	290,950	9,810,950
Total	\$ 75,000,000	\$ 14,846,550	\$ 89,846,550

On May 6, 2013, the Elsinore Valley Municipal Water District Financing Authority (“Authority”) was established to assist the District in the financing and refinancing of public capital improvement projects through the issuance and refunding of District indebtedness. The debt issued by the Authority is payable solely from installment payments made by the District. The District is obligated to make annual installment payments from any and all lawfully available revenues. The District has covenanted to budget and annually appropriate sufficient sums to pay all required installment payments when due.

On April 14, 2016, the Authority issued the 2016A Water Revenue Bonds in the amount of \$71,660,000 with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund the District’s 2007A and 2008A Certificates of Participation and placed in an irrevocable escrow fund with an escrow bank to provide the remaining debt service payments on the refunded debt.

The COP series 2007A, consisting of \$75,720,000 in certificates with interest rates ranging from 4.25% to 5.00% were issued on August 7, 2007. The proceeds were utilized to finance the acquisition and construction of water and sewer system improvements. The outstanding balance at the time of refunding was \$62,355,000 with cash held in reserves of \$5.9 million.

The Refunding COP Series 2008A, in the amount of \$65,665,000 with interest rates ranging from 4.25% to 5.00%, were originally issued on August 14, 2008. The net proceeds were utilized to refund the District’s variable rate 2000A Certificates which were issued to finance water and wastewater improvements. The outstanding balance at the time of refunding was \$65,665,000 with cash held in reserves of \$6.5 million.

13. WATER REVENUE BONDS PAYABLE (CONTINUED):

The refunding met the requirements of a legal defeasance and both COPs were removed from the District's financial statements. The District utilized the cash held in reserves of \$12.4 million and contributed an additional \$39.1 million to the refunding. The reacquisition price exceeded the net carrying amount of the old debt by \$8,067,165. This amount is being netted against the new debt and being amortized over the remaining life of the refunding debt. The total savings in cash flow was \$35.2 million and the economic gain or net present value savings at 1.957% was \$21.5 million. Principal repayment for the revenue bonds commenced July 1, 2016 and continues through July 2034. There is no reserve requirement.

In the event of default, the Trustee can not declare that the principal and interest on the bonds be due and payable immediately. However, provisions for the application of moneys after all fees and expenses of the Trustee have been paid, will be applied in the following order, on a pro rata basis if available amounts are insufficient; 1) interest on bonds then due, in order of maturity, 2) unpaid principal then due, in order of due dates, and 3) to be held for future principal and interest payments not yet due.

On July 1, 2021 the Authority issued Refunding Water Revenue Bonds, Series 2021A in the amount of \$31,625,000 at 3%. The proceeds were used to refund the Elsinore Valley Municipal Water District's 2008B and 2011A COPs and placed in separate irrevocable escrow funds to pay the remaining debt service requirements on the refunded debt.

The current refunding met the requirements of a legal defeasance and both COPs were removed from the District's financial statements. The District utilized the cash held in reserves of \$4.3 million and contributed an additional \$24.2 million to the refunding. The reacquisition price exceeded the net carrying amount of the old debt by \$164,000. This amount is being netted against the new debt and is being amortized over the remaining life of the refunding debt. The total savings in cash flow was \$4.9 million and the economic gain or net present value savings at 1.215% was \$4.1 million. Principal repayment for the revenue bonds commenced July 1, 2022 and will continue through July 2035. There is no reserve requirement.

In the event of default, the Trustee can not declare that the principal and interest on the bonds be due and payable immediately. However, provisions for the application of moneys after all fees and expenses of the Trustee have been paid, will be applied in the following order, on a pro rata basis if available amounts are insufficient; 1) interest on bonds then due, in order of maturity, 2) unpaid principal then due, in order of due dates, and 3) to be held for future principal and interest payments not yet due.

14. LOANS PAYABLE - Direct Borrowings:

	2024	2023
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$2,347,026 was used for the Advanced Metering Infrastructure Phase III project. Interest accrued at a rate of 1.7% through June 30, 2021. Effective July 1, 2021 a 1% Administrative Fee and 0.7% Small Community Grant Fee will be charged in lieu of the interest charge. Annual principal payments range from \$107,493 in December 2018 to \$136,598 in December 2037.	1,717,857	1,825,739
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$1,930,968 was used for the Regional Water Reclamation Facility Expansion and Upgrade Design. Interest accrues at a rate of 0.0% with annual principal payments of \$193,097. Payments began October 2020 and continue through October 2029.	1,158,581	1,351,678
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$4,220,009 was used for the Regional Water Reclamation Facility Expansion and Upgrade Design. Interest accrues at a rate of 0.0% with annual principal payments of \$422,001. Payments began October 2021 and continue through October 2030.	2,954,006	3,376,007
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$1,521,061 was used for the Regional Water Reclamation Facility Supervisory Control and Data Acquisition (SCADA) Implementation. Interest accrues at a rate of 1.8% with annual payments of \$90,872. Payments began December 2020 and continue through December 2039.	1,253,602	1,320,701
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$43,023,721 was used for the Regional Water Reclamation Facility Upgrades Construction. Interest accrues at a rate of 1.3% with annual payments of \$2,474,945. Payments began September 2023 and continue through September 2042.	41,436,141	43,023,719
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$129,860,229 authorized for the Regional Water Reclamation Facility Expansion Construction. A total amount of \$35,485,035 was disbursed as of June 30, 2024. Interest accrues at a rate of 0.9% upon the final disbursement request and project completion date of September 30, 2024. Payments begin September 2025 and continue through September 2054.	35,485,035	173,962
State Water Resources Control Board – California’s Clean Water State Revolving Fund. Original loan amount of \$36,540,937 authorized for the Diamond Regional Sewer Lift Station Project. A total amount of \$171,201 was disbursed as of June 30, 2024. Interest accrues at a rate of 1.75% upon the final disbursement request and project completion date of December 31, 2025. Payments begin December 2026 and continue through December 2045.	171,201	-
Western Municipal Water District. Original loan amount of \$8,167,881 used to purchase 6 cfs of service rights in the Mills Pipeline. Interest paid at a rate of 2.5% with total annual principal and interest payments of \$555,177. Payments began October 2023 and continue through October 2040.	7,612,703	-
Total Loans Payable	\$ 91,789,126	\$ 51,071,806

14. LOANS PAYABLE - Direct Borrowings (CONTINUED):

Future long-term maturities as of June 30, 2024 are as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 3,100,862	\$ 774,149	\$ 3,875,011
2026	4,167,341	1,062,647	5,229,988
2027	4,221,883	1,018,325	5,240,208
2028	4,270,031	970,176	5,240,207
2029	4,318,898	921,309	5,240,207
2030-2034	20,315,094	3,847,555	24,162,649
2035-2039	20,475,693	2,510,937	22,986,630
2040-2044	16,769,094	1,157,893	17,926,987
2045-2049	6,270,435	524,887	6,795,322
2049-2053	6,536,904	237,981	6,774,885
2054-2058	1,342,891	12,086	1,354,977
Total	<u>\$ 91,789,126</u>	<u>\$ 13,037,945</u>	<u>\$ 104,827,071</u>

Allow for rounding differences

EVMWD has eight outstanding loans as of June 30, 2024. Seven loans through direct borrowing from the California Clean Water State Revolving Fund ("CWSRF") and one through Western Municipal Water District ("Western"). The seven outstanding CWSRF loans are secured by a pledge of net revenues with an Enterprise and Reserve Fund being established for each loan. In the event of default, immediate repayment of funds plus accrued interest and penalties is required. Interest shall accrue on all amounts due at the highest legal rate of interest from the date of notice of termination to the date monies are received by the State Board. Any fraud or misuse of public funds will terminate the agreements and require the repayment of all funds.

The outstanding Western Municipal Water District loan is funded solely from Capacity Fees. In the event of default, Western shall have the right to terminate the purchase of service rights. Upon termination, the District will own the proportional amount of owned service rights which had been paid for at the time of default. The amount of service rights not paid for at the time of default will be transferred back to Western who will have the rights to hold or resell such service rights.

15. ADVANCES FROM U.S. GOVERNMENT - Direct Borrowings:

In 1986, the District entered into a contract with the federal government under the provisions of Public Law 984, to provide funding for a portion of the Lake Management Project. The project was completed as of May 10, 1995. A summary of the total U.S. Bureau of Reclamation funding for the Lake Management Project is as follows:

Total Bureau funding (Lake Management)	\$ 26,000,000
Less: Non-repayable grant portion	<u>(9,405,500)</u>
Total loan proceeds	<u>\$ 16,594,500</u>
Distribution of loan proceeds:	
Agricultural component – non-interest bearing	\$ 4,894,000
Repayable grant component – non-interest bearing	9,405,500
Recreational, fish, and wildlife component –	
interest bearing at 10.875% per annum	<u>2,295,000</u>
Total loan proceeds	<u>\$ 16,594,500</u>

The loan proceeds are repayable in 40 annual installments varying from \$4,682 to \$606,389. Interest at 10.875% was due on the recreational, fish and wildlife component and that component was fully repaid in 2007. The remaining components are non-interest bearing. Repayment of the loan commenced May 1, 1992. Principal of \$13,889,190 has been repaid as of June 30, 2024, with a current unpaid balance of \$2,705,310. Pursuant to the agreement, the District maintains reserve funds in an amount not to exceed \$90,000.

Future long-term advances from the U.S. government as of June 30, 2024 are as follows:

Fiscal Year	Principal
2025	\$ 386,473
2026	386,473
2027	386,473
2028	386,473
2029	386,473
2030-2031	772,945
Total	<u>\$ 2,705,310</u>

16. LEASE INCOME AND LEASE RECEIVABLE:

The District as a lessor reclassified all leases as non-operating revenue. The Canyon Lake Property Owners Association (POA) lake lease, the San Bernardino Basin Area Water rights (SBBA) lease, and the cell site leases are all treated as non-operating revenue. With this reclassification, the FY2023 Statement of Income, Expenses and Changes in Net position have been reclassified to be comparable with the FY2024 statement.

The District leases the exclusive right to use the Railroad Canyon Reservoir for boating, fishing and water sports to the Canyon Lake POA. On March 10, 2017, the fifth amendment to Railroad Canyon Reservoir lease agreement was executed extending the current lease agreement through December 31, 2111, which includes the amended lease option for an additional forty-four-year extension, on the same terms and conditions, with the right to exercise the option to extend at any time prior to the expiration date of the current lease. The payment is calculated by adding to the base rent the cost of living adjustment based on the Consumer Price Index for All Urban Consumers (COI-U) in Riverside-San Bernardino-Ontario County.

Base rate adjustments are cumulative. As of June 30, 2024, the lease receivable from POA was recorded at \$93,533,407, deferred inflow of resources was valued at \$93,544,629 with an interest rate at 2.078%.

The District also leases rights to 4,680.6 acre-feet per year of groundwater in the San Bernardino Basin Area (SBBA) to Western Municipal Water District. The lease took effect on January 1, 2021 for a twenty-year term that terminates on December 31, 2041.

A payment is due on the 15th of each month for one twelfth of the annual rate of 4,680.6 acre-feet per year of groundwater at the base rate of \$198.91 per acre-foot.

Base rate adjustments are cumulative. As of June 30, 2024, the value of the lease receivable from SBBA is \$15,497,405, deferred inflow of resources was valued at \$15,578,520 with an interest rate of 1.96%.

The District also has thirteen cell site leases with various terms and lease options. As of June 30, 2024, the lease receivable for all thirteen cell site leases was recorded at \$2,263,707, deferred inflow of resources was valued at \$1,947,729 with interest rates that range from 0.070% to 1.21%

As of June 30, 2024 total lease income reported in the Statement of Revenues, Expenses and Changes in Net position is \$3,285,894, \$459,806 from the cell site leases, \$1,750,969 from POA lease, \$997,000 is from SBBA and a difference of \$78,119 from other rental income that did not qualify under GASB 87-Leases.

16. LEASE INCOME AND LEASE RECEIVABLE (CONTINUED):**District as Lessor:**

<u>Lease Receivable:</u>	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Cell Site Leases	\$ 2,806,315	\$ -	\$ (542,608)	2,263,707
Canyon Lake Water POA	94,614,826		(1,081,419)	93,533,407
SBBA -Water Rights	16,441,358	-	(944,153)	15,497,205
	<hr/>	<hr/>	<hr/>	<hr/>
Total Lease Receivable	<u>\$ 113,862,499</u>	<u>\$ -</u>	<u>\$ (2,568,180)</u>	<u>\$ 111,294,319</u>

<u>Deferred Inflow of Resources:</u>	July 1, 2023	Additions	Reductions	June 30, 2024
Cell Site Leases	\$ 2,506,768		\$ (559,039)	1,947,729
Canyon Lake Water POA	94,625,688		(1,081,059)	93,544,629
SBBA -Water Rights	16,522,673		(944,153)	15,578,520
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Inflow of Resources	<u>\$ 113,655,129</u>	<u>\$ -</u>	<u>\$ (2,584,251)</u>	<u>\$ 111,070,878</u>

Lease income for the Year-ended June 30, 2024 are as follows:

<u>Lease Income:</u>	Lease Income	Interest Income	Total June 30, 2024
Cell Site Leases	\$ 446,433	\$ 13,372	459,806
Canyon Lake Water POA	1,081,059	669,910	1,750,969
SBBA -Water Rights	944,153	52,847	997,000
	<hr/>	<hr/>	<hr/>
Non-Operating Revenue	2,025,212	722,757	2,747,969
	<hr/>	<hr/>	<hr/>
Total Lease Income	<u>\$ 2,471,645</u>	<u>\$ 736,129</u>	<u>\$ 3,207,775</u>

17. NET POSITION:

The following is a detailed breakdown of net position. Also shown below is a listing of the designations of unrestricted net position.

	2024	2023
Capital Assets (Net)	\$ 766,779,379	\$ 695,517,485
Add:		
Unamortized Bond Redemption	4,428,311	4,868,955
Less:		
Water Revenue Bonds, net	(87,240,317)	(95,082,410)
Loans Payable	(91,789,127)	(51,071,806)
Advances from U.S. Government	(2,705,310)	(3,091,783)
Lease Payable	(568,006)	(799,494)
SBITA Payable	(1,758,265)	(2,332,176)
Retentions Payable	(5,349,439)	(2,160,028)
Debt offsetting capital assets	(184,982,153)	(149,668,742)
Net investment in capital assets	581,797,226	545,848,743
Restricted Net Position	66,901,464	57,748,478
Unrestricted Net Position	222,233,928	199,005,730
Total Net Position	<u>\$ 870,932,618</u>	<u>\$ 802,602,951</u>

Although not legally restricted, unrestricted net position has been designated for various purposes. These designations have been established and maintained to provide sound financial management and a stable and equitable rate structure. The June 30, 2024 and June 30, 2023 unrestricted net position amounts consist of the following:

	2024	2023
Customer Deposits	\$ 9,995,906	\$ 9,484,865
Reserve For Encumbered Projects	123,691,567	111,809,335
Special Revenue Reserve	13,988,840	11,798,750
Other Unrestricted Net Position	35,710,230	30,948,700
Operational Reserve	19,846,687	23,281,762
Replacement Reserve	19,000,698	11,682,318
Total Unrestricted Net Position	<u>\$ 222,233,928</u>	<u>\$ 199,005,730</u>

Allow for rounding differences

18. CONDENSED COMPONENT UNIT:

Below is the condensed component unit information for the Water Employee Services Authority (WESA). The component unit is considered a blended component unit for the fiscal year ended June 30, 2024, and is included in the District's financial statements.

CONDENSED STATEMENT OF NET POSITION

ASSETS:	
Current Assets	\$ 2,265,518
Noncurrent Assets	28,611,400
Total Assets	<u>30,876,918</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>13,143,751</u>
LIABILITIES:	
Current Liabilities	1,980,810
Noncurrent Liabilities	41,693,912
Total Liabilities	<u>43,674,722</u>
DEFERRED INFLOWS OF RESOURCES	<u>61,239</u>
NET POSITION	
Unrestricted	<u>\$ 284,708</u>

CONDENSED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

Operating Revenue	\$ 35,356,415
Operating Expenses	<u>(35,356,415)</u>
Net Operating Income	-
Non-Operating Revenue	-
Change in Net Position	-
Net Position, Beginning of Year	<u>284,708</u>
Net Position, End of Year	<u>\$ 284,708</u>

CONDENSED STATEMENT OF CASH FLOW

NET CASH PROVIDED (USED) BY:	
Operating activities	\$ 415,372
Investing activities	-
Net increase in cash and cash equivalents	<u>415,372</u>
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>487,606</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 902,978</u>

Allow for rounding differences

19. RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. To help mitigate these risks, the District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (JPIA).

Description of JPIA:

JPIA is an intergovernmental risk-pooling self-insurance authority, created under the provisions of California Government Code Sections 6500 et. seq. The purpose of JPIA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

Self-Insurance Programs of JPIA:

At June 30, 2024, the District's participation in the self-insurance programs of JPIA is as follows:

Property Loss: Insured up to replacement value with a \$25,000 deductible per occurrence on scheduled buildings, fixed equipment and contents, actual cash value on scheduled mobile equipment with a \$1,000 deductible per occurrence and actual cash value on scheduled vehicles with a \$500 deductible per occurrence. JPIA is self-insured up to \$10,000,000 per loss and has purchased re-insurance coverage up to a \$500,000,000 limit per occurrence. Scheduled fixed equipment is covered for Accidental Mechanical Breakdown up to sub-limit of \$100,000,000 with deductible \$25,000 to \$50,000 depending on type of equipment.

Workers' Compensation: Insured for statutory limits, and **Employer's Liability** is insured up to \$4,000,000 per accident and \$4,000,000 per disease. JPIA is self-insured up to \$2,000,000 and excess insurance coverage has been purchased. The District's retrospective allocation point is \$250 per occurrence.

General, Automobile, Employment Practices & Public Officials' Liability: Broad coverage against third-party claims for the District, its directors, employees and volunteers. Covered up to the following limits: the JPIA pools for the first \$5,000,000 and purchases excess coverage with limit up to \$55,000,000 with aggregated policy limits. The District retrospective allocation point is \$50,000 per occurrence.

In addition to the above, the District has also purchased insurance coverage through JPIA as follows:

Dam Failure Liability Addendum covering Railroad Canyon and Lee Lake Liability: Insured up to \$4,000,000 per occurrence with a \$1,000,000 retention.

Cyber Liability: Policy limit is \$5,000,000 Aggregate, subject to \$3,000,000 maximum per member, with a \$100,000 deductible per incident.

Employee Dishonesty/Crime Supplement: Insured up to \$100,000 per occurrence with a \$1,000 deductible for employee dishonesty which covers all employees, the Board of Directors, and the Treasurer. Insured up to \$100,000 per occurrence with a \$1,000 deductible for forgery or alteration. Insured up to \$100,000 per occurrence with a \$1,000 deductible for computer fraud. JPIA is self-insured up to \$100,000 per loss.

Underground Storage Tank Liability covering three (3) underground storage tanks at 31315 Chaney Street: Insured up to \$3,000,000 Each Pollution incident and Aggregate Limit; \$3,000,000 Aggregate Claims Expense, with a \$10,000 deductible. JPIA is self-insured up to \$500,000.

Separate financial statements of JPIA can be obtained at 2100 Professional Drive, Roseville, CA 95661 or <https://www.acwajpia.com/transparency/>.

For the past ten fiscal years, the District had no settlements exceeding insurance coverage for these categories of risk. At June 30, 2024, in the opinion of legal counsel, the District had no material claims which would require loss provision in the financial statements and therefore no claims liability has been recorded.

20. CONTINGENCIES:

Grant:

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Legal:

The District is involved in various legal proceedings from time to time in the normal course of business. In management's opinion, the District is not involved in any legal proceeding that will have a material adverse effect on the financial position or changes in financial position of the District.

21. JOINT VENTURE - BCGSA:

The Bedford-Coldwater Groundwater Sustainability Authority ("BCGSA") was organized on February 28, 2023 under Section 6500 of the Government code of the State of California and pursuant to the Joint Exercise of Powers Agreement by and among the District, the City of Corona ("Corona"), and the Temescal Valley Water District ("TVWD") for the management of the Bedford-Coldwater Sub-Basin of the Elsinore Basin. BCGSA was formed with the purpose and intent of jointly fulfilling the role and legal obligations of a Groundwater Sustainability Agency ("GSA") as required by the Sustainable Groundwater Management Act ("SGMA"), including complying with SGMA and ensuring sustainable groundwater management throughout the Bedford-Coldwater Sub-Basin of the Elsinore Basin ("Sub-Basin") so that the Members may collaboratively and cost-effectively develop, adopt, and implement a Groundwater Sustainability Plan ("GSP") for the Sub-Basin in accordance with pertinent regulatory timelines.

The Authority may represent the Members, as appropriate, in discussions and transactions with other local agencies, to include (but not limited to) the development of inter-basin coordination agreements with other GSAs in Riverside County, and agreements with other local agencies or GSAs as may be required to ensure compliance with SGMA for the Sub-Basin.

Pursuant to the Joint Powers Agreement, each member provides an equal contribution to the operating fund, which is used to pay all administrative, operating and other expenses incurred. The rate or amount of the contributions is established in the annual Operating Budget and based upon an equal contribution by each member. The District acts as the Administering Member of BCGSA providing all administrative and financial services.

Separate audited financial statements for the Company can be obtained from the District at 31315 Chaney Street, Lake Elsinore, CA 92530. The summary as of June 30, 2024 is as follows:

	June 2024	June 2023
Total Assets	\$ 1,007,561	\$ 1,263,722
Total Liabilities	429,089	624,870
Total Net Position	578,472	638,852
Increase/(Decrease) in Net Position	\$ (60,380)	\$ 432,477



Required Supplementary Information

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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Required Supplementary Information

**Schedule of Changes in Net Pension Liability and Related Ratios for the Measurement Periods Ended June 30th
Last 10 Years**

Measurement Period	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY:										
Service Cost	\$ 3,135,871	\$ 3,080,952	\$ 2,708,216	\$ 2,708,137	\$ 2,504,040	\$ 2,466,139	\$ 2,636,694	\$ 2,449,304	\$ 2,408,523	\$ 2,458,216
Interest	8,946,678	8,410,832	7,966,474	7,518,873	7,087,735	6,593,931	6,285,034	5,933,814	5,551,505	5,183,730
Changes of Assumptions Difference Between Expected and Actual Experience	-	4,872,422	-	-	-	(682,360)	5,623,164	-	(1,469,076)	-
Benefit Payments, Including Refunds of Employee Contributions	(5,892,395)	(5,343,837)	(4,893,768)	(4,504,057)	(4,045,325)	(3,761,071)	(3,332,206)	(3,036,730)	(2,489,673)	(2,327,994)
Net Change in Total Pension Liability	8,054,919	10,882,580	6,512,942	6,333,726	7,276,963	4,329,439	10,633,558	5,126,670	3,714,374	5,313,952
Total Pension Liability - Beginning	129,175,499	118,292,919	111,779,977	105,446,251	98,169,288	93,839,849	83,206,291	78,079,621	74,365,247	69,051,295
					\$					
Total Pension Liability - Ending (a)	\$137,230,418	\$129,175,499	\$118,292,919	\$111,779,977	\$105,446,251	\$98,169,288	\$93,839,849	\$83,206,291	\$78,079,621	\$74,365,247
PLAN FIDUCIARY NET POSITION										
Contributions - Employer	\$ 4,894,596	\$ 4,332,215	\$ 4,016,728	\$ 3,669,646	\$ 3,299,273	\$ 2,907,458	\$ 2,742,846	\$ 2,656,957	\$ 2,500,495	\$ 2,232,962
Contributions - Employee	1,328,776	1,170,466	1,134,140	1,079,391	1,016,843	1,041,634	979,078	972,455	967,375	1,026,237
Net Investment Income	5,834,881	(7,709,804)	18,807,057	3,937,611	4,769,917	5,714,814	6,761,115	340,453	1,296,452	8,461,126
Benefit Payments, Including Refunds of Employee Contributions	(5,892,395)	(5,343,837)	(4,893,768)	(4,504,057)	(4,045,325)	(3,761,071)	(3,332,206)	(3,036,730)	(2,489,673)	(2,327,994)
Net Plan to Plan Resource Movement				-	-	(169)	(2,059)	-	-	-
Administrative Expense	(68,948)	(63,151)	(82,306)	(110,414)	(52,332)	(105,552)	(89,585)	(36,433)	(67,288)	-
Other Miscellaneous Income/ (Expense) ⁽¹⁾	-	-	-	-	169	(200,444)	-	-	-	-
Net Change in Fiduciary Net Position	6,096,910	(7,614,111)	18,981,851	4,072,177	4,988,545	5,596,670	7,059,189	896,702	2,207,361	9,392,331
Plan Fiduciary Net Position - Beginning⁽²⁾	93,761,275	101,375,386	82,393,535	78,321,358	73,332,813	67,736,143	60,676,954	59,780,252	57,572,891	48,180,560
					\$					
Plan Fiduciary Net Position - Ending (b)	\$ 99,858,185	\$ 93,761,275	\$ 101,375,386	\$ 82,393,535	\$ 78,321,358	\$ 73,332,813	\$ 67,736,143	\$ 60,676,954	\$ 59,780,252	\$ 57,572,891
Plan Net Pension Liability - Ending (a) - (b)	\$ 37,372,233	\$ 35,414,224	\$ 16,917,533	\$ 29,386,442	\$ 27,124,893	\$ 24,836,475	\$ 26,103,706	\$ 22,529,337	\$ 18,299,369	\$ 16,792,356
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.77%	72.58%	85.70%	73.71%	74.28%	74.70%	72.18%	72.92%	76.56%	77.42%
Covered Payroll ⁽³⁾	\$ 15,432,437	\$ 14,819,392	\$ 14,179,139	\$ 13,966,669	\$ 12,560,391	\$ 12,085,954	\$ 12,560,469	\$ 12,648,098	\$ 12,307,222	\$ 11,676,322
Plan Net Pension Liability as a Percentage of Covered Payroll	242.17%	238.97%	119.31%	210.40%	215.96%	205.50%	207.82%	178.12%	148.69%	143.82%

(1) During Fiscal Year 2017-18, as a result of Governmental Standards Board Statement (GASB) No.75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

(2) Includes any beginning of year adjustment.

(3) Includes one year's payroll growth using 2.80 percent payroll growth assumption for fiscal years ended in 2022 and 2023; 2.75 percent payroll growth for fiscal years ended in 2018 through 2021; 3.0% payroll growth assumption for fiscal year ended in 2014 through 2017.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.9%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016 and 7.5% for measurement date June 30, 2014.

Required Supplementary Information

**Schedule of Plan Contributions for the Measurement Periods Ended June 30⁽¹⁾
Last 10 Years**

Employer Fiscal Year End	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution ⁽²⁾	\$ 5,024,486	\$ 4,894,596	\$ 4,332,215	\$ 4,016,728	\$ 3,669,646	\$ 3,299,273	\$ 2,907,458	\$ 2,742,846	\$ 2,656,957	\$ 2,500,495
Contributions in Relation to the Actuarially Determined Contribution ⁽²⁾	(5,024,486)	(4,894,596)	(4,332,215)	(4,016,728)	(3,669,646)	(3,299,273)	(2,907,458)	(2,742,846)	(2,656,957)	(2,500,495)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll ⁽³⁾	\$ 18,494,357	\$ 15,432,437	\$ 14,819,392	\$ 14,179,139	\$ 13,966,669	\$ 12,560,391	\$ 12,085,954	\$ 12,560,469	\$ 12,648,098	\$ 12,307,222
Contributions as a Percentage of Covered Payroll ⁽³⁾	27.17%	31.72%	29.23%	28.33%	26.27%	26.27%	24.06%	21.84%	21.01%	20.32%

(1) As prescribed in GASB 68, paragraph 46, the information presented in the Schedule Plan Contributions should also be presented as the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS

(2) Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions

(3) Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended in 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended in 018 through 2021; 3.00% payroll growth assumption for fiscal years ended in 2014 through 2017.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were derived from the June 30, 2020 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2020 Funding Valuation Report.
Asset Valuation Method	Fair value of assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.5%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.0% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Other Information:

For changes to previous' year's information, refer to past GASB 68 reports.

COMBINING STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2024

	CFD 98-2 Wildomar (Public Facilities)	CFD 2003-2 Greer Ranch	CFD 2002-1 Oakmont II	CFD 2003-1 Watermark	CFD 2004-1 Woodmoor	CFD 99-1 La Gonda	CFD 2020-1 IA-1A Horsethief	CFD 2020-1 IA-2A Horsethief	CFD 2020-1 IA-3A Horsethief	Total
ASSETS:										
Cash and cash equivalents	\$ 665,564	\$ 221,471	\$ 310,288	\$ 494,203	\$ 125,611	\$ 413,182	\$ 336,900	\$ 326,004	\$ 491,730	\$ 3,384,953
Receivables:										
Special Assessments Receivable	-	110,646	138,543	265,734	-	-	-	-	-	514,923
Investments at fair value:										
Mututal Funds	-	50,446	69,250	138,450	-	-	317,012	335,813	532,870	1,443,841
Total Assets	665,564	382,563	518,081	898,387	125,611	413,182	653,912	661,817	1,024,600	5,343,717
DEFERRED OUTFLOWS OF RESOURCES:	-	-	-	-	37,118	71,826	-	-	-	108,944
LIABILITIES:										
Accounts payable and other liabilities	55,650	11,662	16,086	32,130	12,954	14,900	64,000	68,600	110,950	386,932
Bonds payable	2,385,000	824,998	1,136,927	2,267,346	1,133,000	1,419,000	4,983,851	5,341,977	7,587,442	27,079,541
Total Liabilities	2,440,650	836,660	1,153,013	2,299,476	1,145,954	1,433,900	5,047,851	5,410,577	7,698,392	27,466,473
NET POSITION:										
Restricted for:										
Debt Service	(1,775,086)	(454,097)	(634,932)	(1,401,089)	(983,225)	(948,892)	(4,393,939)	(4,748,760)	(6,673,792)	(22,013,812)
TOTAL NET POSITION / (DEFICIT)	\$ (1,775,086)	\$ (454,097)	\$ (634,932)	\$ (1,401,089)	\$ (983,225)	\$ (948,892)	\$ (4,393,939)	\$ (4,748,760)	\$ (6,673,792)	\$ (22,013,812)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AS OF JUNE 30, 2024

	CFD 98-2 Wildomar (Public Facilities)	CFD 2003-2 Greer Ranch	CFD 2002-1 Oakmont II	CFD 2003-1 Watermark	CFD 2004-1 Woodmoor	CFD 99-1 La Gonda	CFD 2020-1 IA-1A Horsethief	CFD 2020-1 IA-2A Horsethief	CFD 2020-1 IA-3A Horsethief	Total
ADDITIONS:										
Special Assessments	\$ 409,324	\$ 108,580	\$ 137,074	\$ 266,175	\$ 126,870	\$ 280,321	\$ 345,474	\$ 364,835	\$ 566,814	\$ 2,605,467
Interest Income	-	2,560	3,497	6,991	-	-	21	33	44	13,146
Total Additions	409,324	111,140	140,571	273,166	126,870	280,321	345,495	364,868	566,858	2,618,613
DEDUCTIONS:										
Amortization	-	-	-	-	2,447	13,902	-	-	-	16,349
Bond Handling Fees	15,150	12,783	15,288	16,896	10,000	10,000	3,253	5,847	11,380	100,597
Interest Expense	169,983	35,406	48,825	97,538	39,171	45,833	192,000	205,800	332,850	1,167,406
Capital Expenditures	-	-	-	-	-	-	(72,349)	920,051	841,306	1,689,008
Other Expense	-	531	731	1,462	-	-	-	-	-	2,724
Total Deductions	185,133	48,720	64,844	115,896	51,618	69,735	122,904	1,131,698	1,185,536	2,976,084
INCREASE/(DECREASE) IN FIDUCIARY NET POSITION	224,191	62,420	75,727	157,270	75,252	210,586	222,591	(766,830)	(618,678)	(357,471)
NET POSITION/(DEFICIT) - BEGINNING OF YEAR	(1,999,277)	(516,517)	(710,659)	(1,558,359)	(1,058,477)	(1,159,478)	(4,616,530)	(3,981,930)	(6,055,114)	(21,656,341)
NET POSITION/(DEFICIT) - END OF YEAR	\$ (1,775,086)	\$ (454,097)	\$ (634,932)	\$ (1,401,089)	\$ (983,225)	\$ (948,892)	\$ (4,393,939)	\$ (4,748,760)	\$ (6,673,792)	\$ (22,013,812)

Allow for rounding differences



Supplementary Information

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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SCHEDULE OF MATURITIES OF WATER REVENUE BONDS PAYABLE

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
Elsinore Valley Municipal Water District Financing Authority, 2016A Water Revenue Bonds - Refunding of 2007A and 2008A - Original Issue \$71,660,000					
07/01/22	5.000%	\$ 5,665,000	\$ 1,410,125	\$ 7,075,125	\$ 50,740,000
01/01/23	5.000	-	1,268,500	1,268,500	50,740,000
07/01/23	5.000	5,960,000	1,268,500	7,228,500	44,780,000
01/01/24	5.000	-	1,119,500	1,119,500	44,780,000
07/01/24	5.000	6,270,000	1,119,500	7,389,500	38,510,000
01/01/25	5.000	-	962,750	962,750	38,510,000
07/01/25	5.000	6,595,000	962,750	7,557,750	31,915,000
01/01/26	5.000	-	797,875	797,875	31,915,000
07/01/26	5.000	6,930,000	797,875	7,727,875	24,985,000
01/01/27	5.000	-	624,625	624,625	24,985,000
07/01/27	5.000	7,290,000	624,625	7,914,625	17,695,000
01/01/28	5.000	-	442,375	442,375	17,695,000
07/01/28	5.000	7,665,000	442,375	8,107,375	10,030,000
01/01/29	5.000	-	250,750	250,750	10,030,000
07/01/29	5.000	8,060,000	250,750	8,310,750	1,970,000
01/01/30	5.000	-	49,250	49,250	1,970,000
07/01/30	5.000	485,000	49,250	534,250	1,485,000
01/01/31	5.000	-	37,125	37,125	1,485,000
07/01/31	5.000	445,000	37,125	482,125	1,040,000
01/01/32	5.000	-	26,000	26,000	1,040,000
07/01/32	5.000	380,000	26,000	406,000	660,000
01/01/33	5.000	-	16,500	16,500	660,000
07/01/33	5.000	350,000	16,500	366,500	310,000
01/01/34	5.000	-	7,750	7,750	310,000
07/01/34	5.000	310,000	7,750	317,750	-

(1) Rounded to the nearest dollar

**SCHEDULE OF MATURITIES OF
WATER REVENUE BONDS PAYABLE**

June 30, 2024 and 2023

<u>Payment Date</u>	<u>Interest Rate</u>	<u>Principal Payments⁽¹⁾</u>	<u>Interest Payments⁽¹⁾</u>	<u>Total Debt Service⁽¹⁾</u>	<u>Principal Balance⁽¹⁾</u>
Elsinore Valley Municipal Water District Financing Authority, 2021A Water Revenue Bonds - Refunding of 2008B and 2011A - Original Issue \$31,625,000					
07/01/22	3.000%	\$ 685,000	\$ 474,375	\$ 1,159,375	\$ 30,940,000
01/01/23	3.000	-	464,100	464,100	30,940,000
07/01/23	3.000	720,000	464,100	1,184,100	30,220,000
01/01/24	3.000	-	453,300	453,300	30,220,000
07/01/24	3.000	760,000	453,300	1,213,300	29,460,000
01/01/25	3.000	-	441,900	441,900	29,460,000
07/01/25	3.000	860,000	441,900	1,301,900	28,600,000
01/01/26	3.000	-	429,000	429,000	28,600,000
07/01/26	3.000	965,000	429,000	1,394,000	27,635,000
01/01/27	3.000	-	414,525	414,525	27,635,000
07/01/27	3.000	1,055,000	414,525	1,469,525	26,580,000
01/01/28	3.000	-	398,700	398,700	26,580,000
07/01/28	3.000	1,115,000	398,700	1,513,700	25,465,000
01/01/29	3.000	-	381,975	381,975	25,465,000
07/01/29	3.000	1,170,000	381,975	1,551,975	24,295,000
01/01/30	3.000	-	364,425	364,425	24,295,000
07/01/30	3.000	3,065,000	364,425	3,429,425	21,230,000
01/01/31	3.000	-	318,450	318,450	21,230,000
07/01/31	3.000	3,815,000	318,450	4,133,450	17,415,000
01/01/32	3.000	-	261,225	261,225	17,415,000
07/01/32	3.000	4,015,000	261,225	4,276,225	13,400,000
01/01/33	3.000	-	201,000	201,000	13,400,000
07/01/33	3.000	4,190,000	201,000	4,391,000	9,210,000
01/01/34	3.000	-	138,150	138,150	9,210,000
07/01/34	3.000	4,375,000	138,150	4,513,150	4,835,000
01/01/35	3.000	-	72,525	72,525	4,835,000
07/01/35	3.000	4,835,000	72,525	4,907,525	-

(1) Rounded to the nearest dollar

SCHEDULE OF MATURITIES OF LOANS PAYABLE

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Service Fee Payments ⁽¹⁾⁽²⁾	Grant Fee Payments ⁽¹⁾⁽²⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
State of California Water Resources Control Board - Original Loan \$2,347,026							
12/31/22	1.700%	\$ 106,079	\$ -	\$ 19,318	\$ 13,523	\$ 138,920	\$ 1,825,739
12/31/23	1.700	107,882	-	18,257	12,780	138,920	1,717,857
12/31/24	1.700	109,716	-	17,179	12,025	138,920	1,608,140
12/31/25	1.700	111,581	-	16,081	11,257	138,920	1,496,559
12/31/26	1.700	113,478	-	14,966	10,476	138,920	1,383,081
12/31/27	1.700	115,407	-	13,831	9,682	138,920	1,267,674
12/31/28	1.700	117,369	-	12,677	8,874	138,920	1,150,304
12/31/29	1.700	119,365	-	11,503	8,052	138,920	1,030,940
12/31/30	1.700	121,394	-	10,309	7,217	138,920	909,546
12/31/31	1.700	123,457	-	9,095	6,367	138,920	786,089
12/31/32	1.700	125,556	-	7,861	5,503	138,920	660,533
12/31/33	1.700	127,691	-	6,605	4,624	138,920	532,842
12/31/34	1.700	129,861	-	5,328	3,730	138,920	402,981
12/31/35	1.700	132,069	-	4,030	2,821	138,920	270,912
12/31/36	1.700	134,314	-	2,709	1,896	138,920	136,598
12/31/37	1.700	136,598	-	1,366	956	138,920	-
State of California Water Resources Control Board - Original Loan \$1,930,968							
10/31/22	0.000%	\$ 193,097	\$ -	\$ -	\$ -	\$ 193,097	\$ 1,351,678
10/31/23	0.000	193,097	-	-	-	193,097	1,158,581
10/31/24	0.000	193,097	-	-	-	193,097	965,484
10/31/25	0.000	193,097	-	-	-	193,097	772,388
10/31/26	0.000	193,097	-	-	-	193,097	579,291
10/31/27	0.000	193,097	-	-	-	193,097	386,194
10/31/28	0.000	193,097	-	-	-	193,097	193,097
10/31/29	0.000	193,097	-	-	-	193,097	-
State of California Water Resources Control Board - Original Loan \$4,220,009							
10/31/22	0.000%	\$ 422,001	\$ -	\$ -	\$ -	\$ 422,001	\$ 3,376,007
10/31/23	0.000	422,001	-	-	-	422,001	2,954,006
10/31/24	0.000	422,001	-	-	-	422,001	2,532,005
10/31/25	0.000	422,001	-	-	-	422,001	2,110,005
10/31/26	0.000	422,001	-	-	-	422,001	1,688,004
10/31/27	0.000	422,001	-	-	-	422,001	1,266,003
10/31/28	0.000	422,001	-	-	-	422,001	844,002
10/31/29	0.000	422,001	-	-	-	422,001	422,001
10/31/30	0.000	422,001	-	-	-	422,001	-

(1) Rounded to the nearest dollar

(2) 1.0% Administrative Service Fee and 0.7% Small Community Grant Fee in lieu of 1.7% Interest Rate effective 7/1/21.

SCHEDULE OF MATURITIES OF LOANS PAYABLE (Continued)

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Service Fee Payments ⁽¹⁾	Grant Fee Payments ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
State of California Water Resources Control Board - Original Loan \$1,521,061							
12/31/22	1.800%	\$ 65,913	\$ 24,959	\$ -	\$ -	\$ 90,872	\$ 1,320,701
12/31/23	1.800	67,099	23,773	-	-	90,872	1,253,602
12/31/24	1.800	68,307	22,565	-	-	90,872	1,185,295
12/31/25	1.800	69,536	21,335	-	-	90,872	1,115,759
12/31/26	1.800	70,788	20,084	-	-	90,872	1,044,971
12/31/27	1.800	72,062	18,809	-	-	90,872	972,909
12/31/28	1.800	73,359	17,512	-	-	90,872	899,550
12/31/29	1.800	74,680	16,192	-	-	90,872	824,870
12/31/30	1.800	76,024	14,848	-	-	90,872	748,846
12/31/31	1.800	77,392	13,479	-	-	90,872	671,454
12/31/32	1.800	78,785	12,086	-	-	90,872	592,669
12/31/33	1.800	80,204	10,668	-	-	90,872	512,465
12/31/34	1.800	81,647	9,224	-	-	90,872	430,818
12/31/35	1.800	83,117	7,755	-	-	90,872	347,701
12/31/36	1.800	84,613	6,259	-	-	90,872	263,088
12/31/37	1.800	86,136	4,736	-	-	90,872	176,952
12/31/38	1.800	87,687	3,185	-	-	90,872	89,265
12/31/39	1.800	89,265	1,607	-	-	90,872	-
State of California Water Resources Control Board - Original Loan \$43,023,721							
06/30/23	1.300%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,023,719 ⁽²⁾
09/30/23	1.300	1,587,579	467,387	-	-	2,054,966	41,436,140
09/30/24	1.300	1,936,665	538,670	-	-	2,475,335	39,499,475
09/30/25	1.300	1,961,841	513,493	-	-	2,475,334	37,537,634
09/30/26	1.300	1,987,345	487,989	-	-	2,475,334	35,550,289
09/30/27	1.300	2,013,181	462,154	-	-	2,475,335	33,537,108
09/30/28	1.300	2,039,352	435,982	-	-	2,475,334	31,497,756
09/30/29	1.300	2,065,864	409,471	-	-	2,475,335	29,431,892
09/30/30	1.300	2,092,720	382,615	-	-	2,475,335	27,339,172
09/30/31	1.300	2,119,925	355,409	-	-	2,475,334	25,219,247
09/30/32	1.300	2,147,484	327,850	-	-	2,475,334	23,071,763
09/30/33	1.300	2,175,402	299,933	-	-	2,475,335	20,896,361
09/30/34	1.300	2,203,682	271,653	-	-	2,475,335	18,692,679
09/30/35	1.300	2,232,330	243,005	-	-	2,475,335	16,460,349
09/30/36	1.300	2,261,350	213,985	-	-	2,475,335	14,198,999
09/30/37	1.300	2,290,748	184,587	-	-	2,475,335	11,908,251
09/30/38	1.300	2,320,527	154,807	-	-	2,475,334	9,587,724

(1) Rounded to the nearest dollar

(2) Balance equal to amount disbursed to date.

SCHEDULE OF MATURITIES OF LOANS PAYABLE (Continued)

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Service Fee Payments ⁽¹⁾	Grant Fee Payments ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
State of California Water Resources Control Board - Original Loan \$43,023,721 (Continued)							
09/30/39	1.300%	\$ 2,350,694	\$ 124,640	\$ -	\$ -	\$ 2,475,334	\$ 7,237,030
09/30/40	1.300	2,381,253	94,081	-	-	2,475,334	4,855,777
09/30/41	1.300	2,412,209	63,125	-	-	2,475,334	2,443,568
09/30/42	1.300	2,443,568	31,766	-	-	2,475,334	-
State of California Water Resources Control Board - Estimated Loan \$129,860,229 ⁽²⁾							
06/30/23	0.900%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,962
06/30/24	0.900	-	-	-	-	-	35,485,035 ⁽³⁾
08/25/24	0.900	-	-	-	-	-	129,860,229 ⁽⁴⁾
08/25/25	0.900	3,789,901	1,168,742	-	-	4,958,643	126,070,328
08/25/26	0.900	3,824,010	1,134,633	-	-	4,958,643	122,246,318
08/25/27	0.900	3,858,426	1,100,217	-	-	4,958,643	118,387,892
08/25/28	0.900	3,893,152	1,065,491	-	-	4,958,643	114,494,740
08/25/29	0.900	3,928,190	1,030,453	-	-	4,958,643	110,566,550
08/25/30	0.900	3,963,544	995,099	-	-	4,958,643	106,603,006
08/25/31	0.900	3,999,216	959,427	-	-	4,958,643	102,603,790
08/25/32	0.900	4,035,209	923,434	-	-	4,958,643	98,568,581
08/25/33	0.900	4,071,526	887,117	-	-	4,958,643	94,497,055
08/25/34	0.900	4,108,169	850,474	-	-	4,958,643	90,388,886
08/25/35	0.900	4,145,143	813,500	-	-	4,958,643	86,243,743
08/25/36	0.900	4,182,449	776,194	-	-	4,958,643	82,061,294
08/25/37	0.900	4,220,091	738,552	-	-	4,958,643	77,841,203
08/25/38	0.900	4,258,072	700,571	-	-	4,958,643	73,583,131
08/25/39	0.900	4,296,395	662,248	-	-	4,958,643	69,286,736
08/25/40	0.900	4,335,062	623,581	-	-	4,958,643	64,951,674
08/25/41	0.900	4,374,078	584,565	-	-	4,958,643	60,577,596
08/25/42	0.900	4,413,445	545,198	-	-	4,958,643	56,164,151
08/25/43	0.900	4,453,166	505,477	-	-	4,958,643	51,710,985
08/25/44	0.900	4,493,244	465,399	-	-	4,958,643	47,217,741
08/25/45	0.900	4,533,683	424,960	-	-	4,958,643	42,684,058
08/25/46	0.900	4,574,486	384,157	-	-	4,958,643	38,109,572
08/25/47	0.900	4,615,657	342,986	-	-	4,958,643	33,493,915
08/25/48	0.900	4,657,198	301,445	-	-	4,958,643	28,836,717
08/25/49	0.900	4,699,112	259,530	-	-	4,958,642	24,137,605
08/25/50	0.900	4,741,404	217,238	-	-	4,958,642	19,396,201
08/25/51	0.900	4,784,077	174,566	-	-	4,958,643	14,612,124

(1) Rounded to the nearest dollar

(2) Loan amount authorized. See Note 14.

(3) Balance equal to amount disbursed to date.

(4) Preliminary debt schedule. Figures subject to change. Schedule based on estimated amount.

SCHEDULE OF MATURITIES OF LOANS PAYABLE (Continued)

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Service Fee Payments ⁽¹⁾	Grant Fee Payments ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
State of California Water Resources Control Board - Estimated Loan \$129,860,229 (Continued) ⁽²⁾							
08/25/52	0.900%	\$ 4,827,134	\$ 131,509	\$ -	\$ -	\$ 4,958,643	\$ 9,784,990
08/25/53	0.900	4,870,578	88,065	-	-	4,958,643	4,914,413
08/25/54	0.900	4,914,413	44,230	-	-	4,958,643	-
State of California Water Resources Control Board - Estimated Loan \$36,540,937 ⁽²⁾							
06/30/24	1.750%	\$ -	\$ -	\$ -	\$ -	\$ -	171,201 ⁽³⁾
06/30/26	1.750	-	-	-	-	-	36,540,937 ⁽⁴⁾
12/31/26	1.750	1,578,507	600,373	-	-	2,178,880	34,962,430
12/31/27	1.750	1,567,037	611,843	-	-	2,178,880	33,395,393
12/31/28	1.750	1,594,461	584,419	-	-	2,178,880	31,800,932
12/31/29	1.750	1,622,364	556,516	-	-	2,178,880	30,178,569
12/31/30	1.750	1,650,755	528,125	-	-	2,178,880	28,527,814
12/31/31	1.750	1,679,643	499,237	-	-	2,178,880	26,848,170
12/31/32	1.750	1,709,037	469,843	-	-	2,178,880	25,139,134
12/31/33	1.750	1,738,945	439,935	-	-	2,178,880	23,400,189
12/31/34	1.750	1,769,377	409,503	-	-	2,178,880	21,630,812
12/31/35	1.750	1,800,341	378,539	-	-	2,178,880	19,830,471
12/31/36	1.750	1,831,847	347,033	-	-	2,178,880	17,998,625
12/31/37	1.750	1,863,904	314,976	-	-	2,178,880	16,134,721
12/31/38	1.750	1,896,522	282,358	-	-	2,178,880	14,238,198
12/31/39	1.750	1,929,711	249,168	-	-	2,178,880	12,308,487
12/31/40	1.750	1,963,481	215,399	-	-	2,178,880	10,345,006
12/31/41	1.750	1,997,842	181,038	-	-	2,178,880	8,347,163
12/31/42	1.750	2,032,805	146,075	-	-	2,178,880	6,314,359
12/31/43	1.750	2,068,379	110,501	-	-	2,178,880	4,245,980
12/31/44	1.750	2,104,575	74,305	-	-	2,178,880	2,141,405
12/31/45	1.750	2,141,405	37,475	-	-	2,178,880	-
Western Municipal Water District - Original Loan \$8,167,881							
08/31/23	2.500%	\$ -	\$ -	\$ -	\$ -	\$ -	8,167,881
10/01/23	2.500	555,177	-	-	-	555,177	7,612,704
10/01/24	2.500	364,860	190,318	-	-	555,177	7,247,844
10/01/25	2.500	373,981	181,196	-	-	555,177	6,873,862
10/01/26	2.500	383,331	171,847	-	-	555,177	6,490,531

(1) Rounded to the nearest dollar

(2) Loan amount authorized. See Note 14.

(3) Balance equal to amount disbursed to date.

(4) Preliminary debt schedule. Figures subject to change. Schedule based on estimated amount.

SCHEDULE OF MATURITIES OF LOANS PAYABLE (Continued)

June 30, 2024 and 2023

Payment Date	Interest Rate	Principal Payments ⁽¹⁾	Interest Payments ⁽¹⁾	Service Fee Payments ⁽¹⁾	Grant Fee Payments ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal Balance ⁽¹⁾
Western Municipal Water District - Original Loan \$8,167,881 (Continued)							
10/01/27	2.500%	\$ 392,914	\$ 162,263	-	-	\$ 555,177	\$ 6,097,617
10/01/28	2.500	402,737	152,440	-	-	555,177	5,694,880
10/01/29	2.500	412,805	142,372	-	-	555,177	5,282,075
10/01/30	2.500	423,126	132,052	-	-	555,177	4,858,949
10/01/31	2.500	433,704	121,474	-	-	555,177	4,425,245
10/01/32	2.500	444,546	110,631	-	-	555,177	3,980,699
10/01/33	2.500	455,660	99,517	-	-	555,177	3,525,039
10/01/34	2.500	467,052	88,126	-	-	555,177	3,057,987
10/01/35	2.500	478,728	76,450	-	-	555,177	2,579,259
10/01/36	2.500	490,696	64,481	-	-	555,177	2,088,563
10/01/37	2.500	502,963	52,214	-	-	555,177	1,585,600
10/01/38	2.500	515,537	39,640	-	-	555,177	1,070,063
10/01/39	2.500	528,426	26,752	-	-	555,177	541,637
10/01/40	2.500	541,637	13,541	-	-	555,178	-

(1) Rounded to the nearest dollar

(2) Loan amount authorized. See Note 14.

(3) Balance equal to amount disbursed to date.

(4) Preliminary debt schedule. Figures subject to change. Schedule based on estimated amount.

SCHEDULE OF MATURITIES OF U.S. BUREAU OF RECLAMATION ADVANCES PAYABLE

June 30, 2024 and 2023

<u>Payment Date</u>	<u>Interest Rate</u>	<u>Principal Payments⁽¹⁾</u>	<u>Interest Payments⁽¹⁾</u>	<u>Total Debt Service⁽¹⁾</u>	<u>Principal Balance⁽¹⁾</u>
U.S. Bureau of Reclamation - Lake Management Project - Original Advance \$16,594,500					
05/01/23		\$ 386,473	-	\$ 386,473	\$ 3,091,783
05/01/24		386,473	-	386,473	2,705,310
05/01/25		386,473	-	386,473	2,318,837
05/01/26		386,473	-	386,473	1,932,364
05/01/27		386,473	-	386,473	1,545,891
05/01/28		386,473	-	386,473	1,159,418
05/01/29		386,473	-	386,473	772,945
05/01/30		386,473	-	386,473	386,472
05/01/31		386,472	-	386,472	-

(1) Rounded to the nearest dollar



Statistical Section

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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This part of Elsinore Valley Municipal Water District’s Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

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Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report (ACFR) for the relevant year.

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
NET POSITION					
Net investment in capital assets	\$ 356,641,697	\$ 407,432,038	\$ 416,010,569	\$ 427,769,322	\$ 439,789,160
Restricted	55,144,571	42,947,105	49,833,001	52,157,863	55,240,883
Unrestricted	<u>164,601,667</u>	<u>140,810,860</u>	<u>147,164,785</u>	<u>161,488,668</u>	<u>168,286,791</u>
TOTAL NET POSITION	<u>\$ 576,387,935</u>	<u>\$ 591,190,003</u>	<u>\$ 613,008,355</u>	<u>\$ 641,415,853</u>	<u>\$ 663,316,834</u>
	<u>2020</u>	<u>2021</u>	<u>2022</u> ⁽¹⁾	<u>2023</u>	<u>2024</u>
NET POSITION					
Net investment in capital assets	\$ 446,212,414	\$ 462,458,274	\$ 505,171,986	\$ 545,848,743	\$ 581,797,225
Restricted	54,818,750	71,967,372	43,353,311	57,748,478 ⁽²⁾	66,901,464
Unrestricted	<u>191,129,738</u>	<u>181,372,092</u>	<u>204,596,901</u>	<u>199,005,730</u> ⁽²⁾	<u>222,233,929</u>
TOTAL NET POSITION	<u>\$ 692,160,902</u>	<u>\$ 715,797,738</u>	<u>\$ 753,122,198</u>	<u>\$ 802,602,951</u>	<u>\$ 870,932,618</u>

Allow for rounding differences

(1) 2022 - Net Position restated to apply GASG 96.

(2) 2023 - Debt Service reserve from SRF loans were restated from Unrestricted to Restricted Net Position.

Source: Elsinore Valley Municipal Water District

CHANGES IN NET POSITION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	(1)	2023	2024
OPERATING REVENUES											
Water Revenues	\$ 44,456,826	\$ 46,387,145	\$ 44,164,018	\$ 49,193,038	\$ 48,111,048	\$ 51,092,053	\$ 57,121,080	\$ 58,016,755		\$ 57,837,351	\$ 62,075,994
Wastewater Revenues	23,368,664	21,961,717	22,261,812	24,046,130	25,332,984	25,723,353	26,304,422	26,850,381		27,776,785	30,782,032
Recycled Water Revenues	-	939,750	1,036,047	1,146,853	1,043,280	1,353,922	1,547,653	1,681,044		1,514,308	1,419,070
Total Operating Revenues	67,825,490	69,288,612	67,461,877	74,386,021	74,487,312	78,169,328	84,973,155	86,548,180		87,128,444	94,277,096
NON-OPERATING REVENUES											
Property Taxes	8,239,146	8,510,208	9,133,430	9,635,769	10,290,446	10,827,679	11,706,694	12,242,788		13,989,031	14,770,113
Standby Charges	913,699	680,793	595,492	617,948	636,398	758,323	798,439	812,403		469,891	800,660
Investment Income	1,610,326	2,453,021	126,852	934,564	8,106,997	8,317,596	310,066	(7,114,904)		3,219,891	12,035,070
Other Non-Operating Revenues	2,859,651	2,387,901	296,438	9,460,968	4,122,888	3,153,232	3,533,324	4,628,092		4,184,596	8,362,942
Total Non-Operating Revenues	13,622,822	14,031,923	10,152,212	20,649,249	23,156,729	23,056,830	16,348,523	10,568,379		21,863,409	35,968,785
Total Revenues	81,448,312	83,320,535	77,614,089	95,035,270	97,644,041	101,226,158	101,321,678	97,116,559		108,991,853	130,245,881
OPERATING EXPENSES											
Water Purchases	16,306,497	15,452,140	16,266,623	18,036,267	20,646,287	18,427,794	22,386,982	22,992,874		17,841,634	22,696,270
Water Operations	14,660,805	15,165,860	16,047,064	14,756,060	15,425,962	17,345,188	18,028,308	18,091,588		20,304,841	22,170,480
Wastewater Operations	13,460,542	11,876,091	11,250,489	10,123,413	11,221,102	11,362,953	12,345,224	12,574,157		14,626,092	15,844,398
Recycled Water Operations	-	1,340,151	976,330	948,191	946,532	1,002,544	963,053	1,095,709		1,180,378	1,441,506
General and Administrative	10,675,786	10,246,633	10,561,347	14,268,344	14,263,892	16,552,478	15,657,193	11,469,867		17,179,582	19,432,229
Depreciation and Amortization	19,520,795	19,626,434	19,894,657	19,982,645	20,751,084	21,530,659	21,738,999	23,043,739		22,877,527	22,690,742
Total Operating Expenses	74,624,425	73,707,309	74,996,510	78,114,920	83,254,859	86,221,616	91,119,759	89,267,934		94,010,055	104,275,625

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	(i)	2023	2024
NON-OPERATING EXPENSES											
Interest Expense	\$ 7,379,384	\$ 6,561,178	\$ 3,552,038	\$ 3,624,583	\$ 3,534,683	\$ 3,205,827	\$ 2,382,324	\$ 2,673,587		\$ 2,899,019	\$ 2,903,231
Other Expenses	1,845,509	2,166,692	1,597,944	2,805,062	1,782,127	1,321,827	2,683,069	2,820,601		1,141,806	2,652,471
Total Non-Operating Expenses	9,224,893	8,727,870	5,149,982	6,429,645	5,316,810	4,527,654	5,065,393	5,494,188		4,040,825	5,555,702
Total Expenses	83,849,318	82,435,179	80,146,492	84,544,565	88,571,669	90,749,270	96,185,152	94,762,122		98,050,880	109,831,327
INCOME (LOSS) BEFORE CONTRIBUTIONS	(2,401,006)	885,356	(2,532,403)	10,490,705	9,072,372	10,476,888	5,136,526	2,354,437		10,940,973	20,414,554
CAPITAL CONTRIBUTIONS	8,446,656	13,916,712	24,350,755	17,916,793	12,828,609	18,367,180	18,500,311	34,970,023		38,539,780	47,915,113
CHANGE IN NET POSITION	\$ 6,045,650	\$ 14,802,068	\$ 21,818,352	\$ 28,407,498	\$ 21,900,981	\$ 28,844,068	\$ 23,636,837	\$ 37,324,460		\$ 49,480,753	\$ 68,329,667

Allow for rounding differences

(i) 2022 - Net position restated to apply GASB 96

Source: Elsinore Valley Municipal Water District

SCHEDULE OF CAPACITY FEE REVENUES

Last Ten Fiscal Years

Fiscal Year	Water Capacity Revenues						Wastewater Capacity Revenues					Total	Percent Change
	Storage	Temescal Valley Project	Pumping Plant	Transmission Facilities	Water Supply Facilities	Admin	Canyon Lake Wastewater Capital	Regional Plant Capacity	Regional Wastewater Capital	Recycled			
2024	\$ 2,835,990	\$ 3,013,231	\$ 1,487,395	\$ 4,796,626	\$ 2,824,200	\$ -	\$ -	\$ 5,077,424	\$ 4,590,311	\$ 748,055	\$ 25,373,231	84.2 %	
2023	1,399,419	1,665,013	795,742	2,316,944	1,308,097	-	-	3,042,894	2,799,413	444,083	13,771,606	16.3	
2022	1,351,727	1,756,063	744,796	2,296,205	1,281,772	(44)	(770)	2,060,581	1,956,197	392,238	11,838,766	(3.4)	
2021	1,302,121	1,587,787	731,072	2,195,545	1,235,952	-	50,057	2,474,421	2,261,296	419,256	12,257,507	46.0	
2020	928,703	1,035,039	505,238	1,550,686	879,760	(973)	27,132	1,281,191	1,838,067	349,849	8,394,691	14.4	
2019	472,046	845,622	514,352	1,090,152	673,981	21,529	117,625	576,556	2,606,595	416,722	7,335,180	(26.8)	
2018	476,706	1,033,276	706,267	1,489,247	963,954	26,187	192,041	1,626,074	2,917,838	595,620	10,027,210	(31.7)	
2017	723,788	1,191,779	926,864	2,146,548	1,374,392	41,426	70,775	2,692,052	4,693,149	821,974	14,682,747	45.9	
2016	578,306	996,254	735,449	1,561,475	923,076	29,874	85,887	1,765,762	2,721,685	664,029	10,061,797	56.4	
2015	(11,028) (1)	581,173	512,455	1,156,193	697,766	24,181	70,095	1,416,906	1,477,388	508,245	6,433,374	(4.6)	

(1) Prior year's fee credits issued under developer agreement

Source: Elsinore Valley Municipal Water District

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED

Last Ten Fiscal Years

Fiscal Year	Water Produced (AF)	Water Consumed (AF)	Water Unbilled (AF)	Average Percent Unbilled	Wastewater Treated (AF)	Total Direct Rate			
						Water		Sewer ⁽³⁾	
						Base Rate ⁽¹⁾	Usage Rate ⁽²⁾	Base Rate ⁽⁴⁾	Usage Rate ⁽⁴⁾
2024	20,502	19,386	1,116	5.4 %	9,634	\$ 35.06	\$ 3.93	\$ 23.21	\$ 8.94
2023	20,838	20,229	609	2.9	9,535	31.95	3.57	21.96	7.50
2022	24,283	22,888	1,395	5.7	8,862	30.28	3.38	21.11	7.21
2021	24,480	23,503	977	4.0	9,123	28.70	3.20	20.29	6.93
2020	22,301	20,919	1,382	6.2	9,142	27.65	3.08	20.29	6.93
2019	21,592	20,574	1,018	4.7	8,739	26.27	2.84	20.29	6.93
2018	23,160	22,500	660	2.8	8,331	23.77	2.78	45.87	-
2017	21,952	20,278	1,674	7.6	8,742	21.27	2.77	43.50	-
2016	20,194	19,291	903	4.5	7,818	21.08	2.75	43.50	-
2015	23,709	22,891	818	3.5	8,408	16.58	2.85	43.50	-

(1) Rate shown is for 3/4" meters. See Water & Sewer Rates Table for additional meter sizes and rates.

(2) Outdoor Use Rate, per CCF (748 gallons)

(3) Single Family Residential, 4 person household

(4) Beginning FY2019 the sewer rate changed from a fixed rate structure to a mixed rate structure (fixed & variable). The variable rate is charged per person in the household.

Source: Elsinore Valley Municipal Water District

WATER AND SEWER RATES

Last Ten Fiscal Years

WATER RATES

Fixed Meter Charge:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
3/4"	\$ 16.58	\$ 21.08	\$ 21.27	\$ 23.77	\$ 26.27	\$ 27.65	\$ 28.70	\$ 30.28	\$ 31.95	\$ 35.06
1"	28.18	33.06	33.36	37.16	41.29	46.08	47.83	50.47	53.25	58.44
1-1/2"	54.70	63.01	63.58	70.63	78.85	92.17	95.67	100.94	106.50	116.87
2"	87.85	98.95	99.84	110.79	123.91	147.47	153.07	161.49	170.38	186.96
3"	165.76	212.76	214.67	237.96	266.59	294.93	306.14	322.98	340.75	373.90
4"	276.82	380.48	383.90	425.37	476.87	460.83	478.35	504.66	532.42	584.20
6"	551.98	961.51	970.16	1,074.63	1,205.35	921.67	956.69	1,009.31	1,064.83	1,168.39
8"	883.49	1,680.31	1,695.43	1,877.83	2,106.55	1,474.67	1,530.70	1,614.89	1,703.71	1,869.40

Variable Service Charge:

Tier 2 User Rate (per ccf)	\$ 2.85	\$ 2.75	\$ 2.77	\$ 2.78	\$ 2.84	\$ 3.08	\$ 3.20	\$ 3.38	\$ 3.57	\$ 3.93
Power Zone 2 (per ccf)	\$ 0.21	\$ 0.26	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.31	\$ 0.33	\$ 0.37

SEWER RATES

Fixed Service Charge	\$ 43.50	\$ 43.50	\$ 43.50	\$ 45.87	\$ 20.29	\$ 20.29	\$ 20.29	\$ 21.11	\$ 21.96	\$ 23.21
Variable (per person)	-	-	-	-	6.93	6.93	6.93	7.21	7.50	8.94

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - ELSINORE WATER DIVISION

FOR THE FISCAL YEAR ENDED JUNE 30, 2024 and 2015

Fiscal Year Ended June 30, 2024

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. LEUSD	School District	548	\$ 1,270,239	2.05 %
2. City Of Lake Elsinore	Government	343	756,465	1.22
3. Tuscany Hills Landscape & Rec Corp	Property Owners Association	195	530,782	0.86
4. Farm Mutual Water Company	Water Company	293	504,310	0.81
5. City Of Murrieta	Government	156	503,811	0.81
6. Greer Ranch Community Association	Property Owners Association	166	425,576	0.69
7. Canyon Lake POA	Property Owners Association	151	413,757	0.67
8. The Colony At California Oaks	Property Owners Association	110	299,993	0.48
9. Santa Rosa Apartment Homes	Property Owners Association	69	294,091	0.47
10. Shore Pointe Association	Property Owners Association	83	238,498	0.38
Total		2,114	\$ 5,237,522	8.44 %

Fiscal Year Ended June 30, 2015

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. LEUSD	School District	767	\$ 1,231,571	2.77 %
2. City of Lake Elsinore	Government	418	673,521	1.52
3. Pinnick Incorporated	Developer	224	579,925	1.30
4. Canyon Lake Property Owners Association	Property Owners Association	227	509,218	1.15
5. Tuscany Hills Homeowner's Association	Property Owners Association	279	422,805	0.95
6. The Farm Mutual Water Company	Water Company	324	418,081	0.94
7. City of Murrieta	Government	212	404,020	0.91
8. Greer Ranch Community Association	Property Owners Association	235	391,277	0.88
9. Shore Pointe Association	Property Owners Association	174	365,773	0.82
10. Rosetta Canyon Community Association	Property Owners Association	145	288,114	0.65
Total		3,005	\$ 5,284,305	11.89 %

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - TEMESCAL WATER DIVISION

FOR THE FISCAL YEAR ENDED JUNE 30, 2024 and 2015

Fiscal Year Ended June 30, 2024

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. California Meadows HOA	Property Owners Association	23	\$ 75,236	0.12 %
2. Glen Ivy RVPOA	Property Owners Association	26	43,381	0.07
3. Butterfield Estates HOA	Property Owners Association	19	42,076	0.07
4. Werner Corp	Business	4	12,340	0.02
5. Bledsoe Construction	Business	5	11,677	0.02
6. Glen Ivy Village Inc	Property Owners Association	6	8,929	0.01
7. Resident	Residence	3	5,841	0.01
8. Resident	Residence	2	5,352	0.01
9. Resident	Residence	4	5,027	0.01
10. Resident	Residence	2	4,588	0.01
Total		<u>94</u>	<u>\$ 214,446</u>	<u>0.35 %</u>

Fiscal Year Ended June 30, 2015

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. The Golf Club at Glen Ivy	Golf Course	554	\$ 404,467	0.91%
2. Lee Lake Water District/Sycamore Creek Park	Water Utility	180	131,300	0.30
3. Werner Corporation	Sand & Gravel Mfg.	168	125,394	0.28
4. Mayhew Aggregates & Mine Reclamation	Sand & Gravel Mfg.	99	80,185	0.18
5. Glen Ivy RVPOA	Property Owners Association	41	41,893	0.09
6. Waste Management	Landfill	45	37,978	0.09
7. California Meadows Home Owners Association	Property Owners Association	31	37,861	0.09
8. Corona Clay Company	Structural Clay Product Mfg.	33	27,330	0.06
9. Kenneth Holt	Agriculture	34	26,575	0.06
10. Butterfield Estates	Property Owners Association	24	26,467	0.06
Total		<u>1,209</u>	<u>\$ 939,450</u>	<u>2.12%</u>

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - WASTEWATER DIVISION

FOR THE FISCAL YEAR ENDED JUNE 30, 2024 and 2015

Fiscal Year Ended June 30, 2024

Customer Name	Business Type	Annual Wastewater Revenues	Percentage of District Wastewater Revenues
1. LEUSD	School District	\$ 300,866	0.98 %
2. Cottonwood Canyon Hills - HOA	Property Owners Association	268,546	0.87
3. City Of Lake Elsinore	Government	231,042	0.75
4. Canyon Lake POA	Property Owners Association	220,082	0.71
5. SIP Manufacturing	Business	210,113	0.68
6. Horsethief Canyon Ranch Maintenance Corp	Apartment Complex	123,794	0.40
7. Summerly Community Association	Property Owners Association	122,743	0.40
8. Amanda Park Apts LP	Apartment Complex	111,357	0.36
9. San Diego Ice Co.	Business	104,670	0.34
10. Lake Elsinore Casino	Casino	93,389	0.30
		Total \$ 1,786,601	5.79 %

Fiscal Year Ended June 30, 2015

Customer Name	Business Type	Annual Wastewater Revenues	Percentage of District Wastewater Revenues
1. Cottonwood Canyon Hills HOA	Property Owner Association	\$ 390,113	1.57 %
2. LEUSD	School District	312,712	1.26
3. Amanda Park Partners	Apartment Complex	170,193	0.68
4. The Golf Club at Glen Ivy	Recreational	150,793	0.61
5. Santa Rosa Apartments	Apartment Complex	130,521	0.53
6. Oak Springs Ranch	Property Owner Association	124,753	0.50
7. Ridgestone Apartments	Apartment Complex	117,751	0.47
8. Lake Elsinore Casino	Casino	109,243	0.44
9. Wildomar Senior Partners	Apartment Complex	99,651	0.40
10. Brookview Terrace HOA	Property Owner Association	85,104	0.34
		Total \$ 1,690,834	6.80 %

Source: Elsinore Valley Municipal Water District

WATER RATE COMPARISON FOR 20 CCF PER MONTH

As of June 30, 2024

	\$40	\$50	\$60	\$70	\$80	\$90	\$100+	\$200+
City of Escondido								243.18
City of San Diego								211.82
Rainbow Municipal Water District								202.92
Valley Center Municipal Water District							179.63	
Western Municipal Water District (March East)							159.78	
Farm Mutual Water Company							140.00	
Western Municipal Water District (Murrieta)							125.03	
Elsinore Valley Municipal Water District							113.26	
Western Municipal Water District (Rainbow)							109.27	
Western Municipal Water District (Riverside)							104.82	
Rancho California Water District (Santa Rosa Division)						97.27		
Temescal Valley Water District						90.35		
City of Riverside (Outside City Limits)					89.39			
City of Corona					84.77			
Eastern Municipal Water District				78.24				
Eastern Municipal Water District (San Jacinto)			69.44					
City of Riverside (Inside City Limits)		59.59						
Rancho California Water District (Rancho Division)		55.40						

CCF = Hundred Cubic Feet
 1 CCF = 748 Gallons
 20 CCF = 14,960 Gallons
 20 CCF = Approximately 500 Gallons per Day
 Includes power zone 2 charge
 Based on Single-family Residential Customer with a 3/4 inch Meter

Source: Elsinore Valley Municipal Water District

MONTHLY WASTEWATER SERVICE CHARGE COMPARISON

As of June 30, 2024

	\$30	\$40	\$50	\$60	\$70	\$80	\$90
City of Escondido							96.49
Western Municipal Water District (Riverside, Perris, Cajalco)					77.63		
Valley Center Municipal Water District					73.72		
Rainbow Municipal Water District				66.57			
City of San Diego				61.82			
Elsinore Valley Municipal Water District⁽¹⁾⁽²⁾			58.97				
Western Municipal Water District (treated by EMWD)		48.95					
Rancho California Water District		46.00					
City of Corona		45.60					
Western Municipal Water District (treated by RCWD)		44.01					
Eastern Municipal Water District (Perris Valley)		41.64					
Temescal Valley Water District		41.57					
City of Riverside	39.59						
Eastern Municipal Water District (Temecula Valley)	36.62						
Farm Mutual Water Company	36.00						
Eastern Municipal Water District (Sun City)	33.55						
Eastern Municipal Water District (San Jacinto)	32.30						

(1) Does Not Include Capital Surcharge

(2) Based on a 4 person household

Source: Elsinore Valley Municipal Water District

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Secured					Unsecured				
	Taxes Levied	Taxes Collected	Delinquency		Taxes Levied	Taxes Collected	Delinquency			
			Amount	Percent			Amount	Percent		
2024	\$ 8,463,917	\$ 8,136,531	\$ 327,386	3.9%	\$ 465,566	\$ 406,814	\$ 58,752	12.6 %		
2023	7,983,803	7,660,488	323,315	4.0%	406,822	332,173	74,649	18.3		
2022	7,340,742	7,150,257	190,485	2.6	361,021	349,973	11,048	3.1		
2021	7,023,574	6,884,327	139,247	2.0	362,440	293,090	69,350	19.1		
2020	6,857,146	6,557,229	299,917	4.4	339,870	275,341	64,529	19.0		
2019	6,370,831	6,322,771	48,060	0.8	276,247	277,612	(1,365)	(0.5)		
2018	6,036,883	5,932,781	104,102	1.7	264,093	260,763	3,330	1.3		
2017	5,780,886	5,696,716	84,170	1.5	264,788	258,933	5,855	2.2		
2016	5,537,429	5,479,710	57,719	1.0	246,421	220,435	25,986	10.5		
2015	5,249,007	5,178,459	70,548	1.3	244,250	225,753	18,497	7.6		

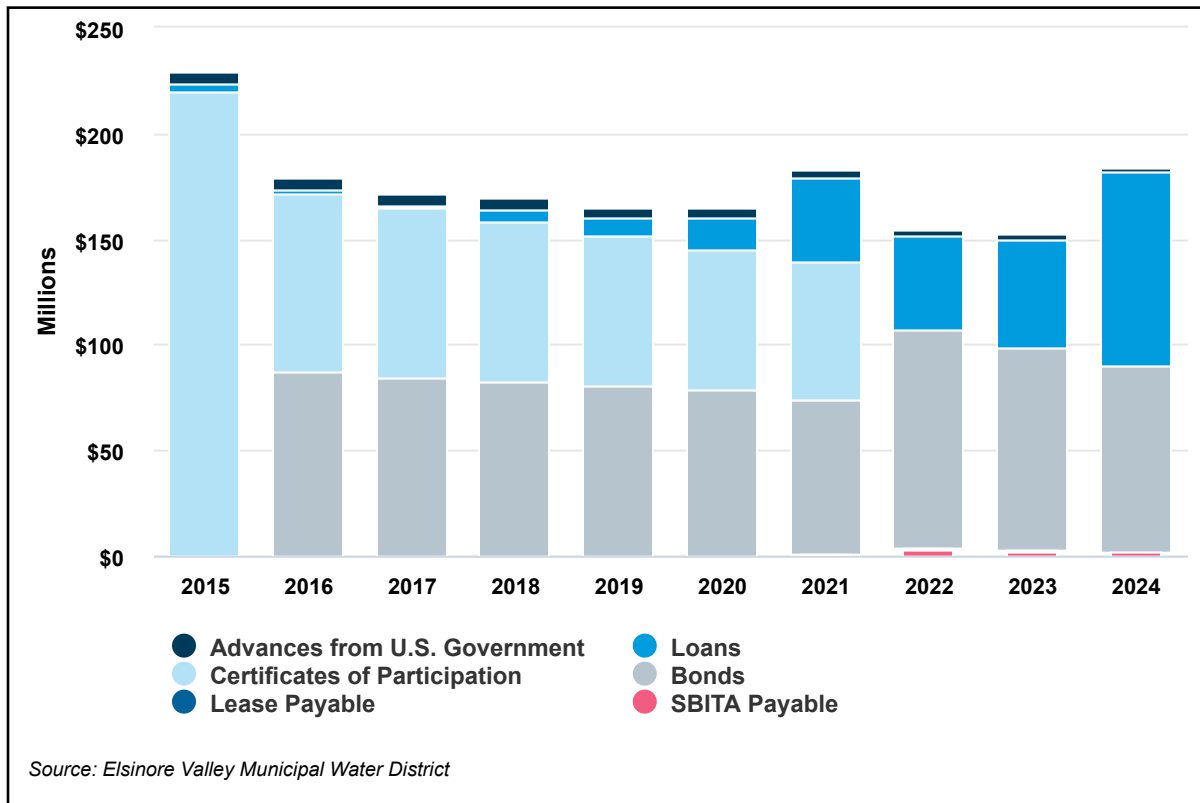
Source: County of Riverside
Elsinore Valley Municipal Water District

Note: Total taxes collected do not include prior year, supplemental, or EWD taxes collected

OUTSTANDING DEBT PER CUSTOMER BY TYPE

Last Ten Fiscal Years

Fiscal Year	Bonds	Certificates of Participation	Loans	Advances from U.S. Government	Lease Payable ⁽¹⁾	SBITA Payable ⁽²⁾	Total	Per Customer ⁽³⁾
2024	\$ 87,240,317	\$ -	\$ 91,789,126	\$ 2,705,310	\$ 568,006	\$ 1,758,265	\$ 184,061,024	\$ 2,138
2023	95,082,410	-	51,071,806	3,091,783	799,494	2,332,176	152,377,669	1,801 ⁽⁴⁾
2022	102,594,502	-	44,403,075	3,478,256	1,221,887	2,909,056	154,606,776	1,840
2021	72,871,187	65,201,070	39,595,789	3,864,729	1,192,240	-	182,725,015	2,194
2020	78,843,586	66,134,700	15,214,744	4,251,202	-	-	164,444,232	2,003
2019	80,705,986	70,893,330	8,095,070	4,637,675	-	-	164,332,061	2,012
2018	82,513,384	75,587,336	6,192,613	5,024,148	-	-	169,317,481	2,106
2017	84,275,784	80,071,342	1,416,590	5,410,621	-	-	171,174,337	2,149
2016	87,003,183	84,350,348	1,638,183	5,797,094	-	-	178,788,808	2,296
2015	-	219,687,192	3,684,401	6,183,567	-	-	229,555,160	2,995



(1) GASB 87 - Leases was implemented and effective for fiscal year ending June 30, 2022.
 (2) GASB 96 - SBITA was implemented and effective for fiscal year ending June 30, 2023.
 (3) Per customer rate relates to each water and wastewater connection. Some customers have both types of connections.
 (4) Prior year figures updated to reflect change in reporting to include the Lease and SBITA payables

COMPUTATION OF DEBT COVERAGE RATIOS

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES:										
Water Revenues	\$44,456,826	\$46,387,145	\$44,164,018	\$49,193,038	\$48,111,048	\$51,092,053	\$57,121,080	\$58,016,755	\$57,837,351	\$62,075,994
Sewer Revenues	23,368,664	21,961,717	22,261,812	24,046,130	25,332,984	25,723,353	26,304,422	26,850,381	27,776,785	30,782,032
Recycled Water Revenues	-	939,750	1,036,047	1,146,853	1,043,280	1,353,922	1,547,653	1,681,044	1,514,308	1,419,070
Property Taxes - General Purpose	5,815,315	5,890,345	6,225,970	6,508,824	6,867,032	7,080,598	7,573,574	7,782,474	8,517,283	9,054,843
Property Taxes - Redevelopment	1,972,079	2,186,033	2,415,096	2,644,790	2,915,254	3,221,072	3,665,361	3,929,925	5,003,709	5,218,843
Property Taxes - Temescal Valley Project	451,752	433,830	492,364	482,155	508,160	526,009	467,759	530,390	468,039	496,427
Standby Charges	913,699	680,793	595,492	617,948	636,398	758,323	798,439	812,403	469,891	800,660
Capacity Fees	6,433,375	10,061,797	14,682,746	10,027,211	7,335,180	8,394,691	12,257,507	11,838,766	13,771,606	25,373,231
Investment Income	1,610,326	2,453,021	126,852	934,561	8,106,997	8,317,596	310,066	(7,114,904)	3,219,892	12,035,070
Grants	286,910	817,868	6,906,333	3,090,355	25,315	5,364,290	169,481	3,980,027	572,925	5,852,316
Lease Income	1,445,901	1,453,542	1,520,603	1,433,523	1,385,928	1,530,985	2,027,106	2,592,838	2,557,542	3,285,894
Return of Principal	58,685	-	-	-	-	-	-	-	-	-
Transfer From (To) Rate Stabilization Fund	906,149	(42,352)	4,333,915	(10,812,292)	4,256,563	(83,018)	(3,482,135)	1,255,324	(525,290)	4,865,876
Other	1,417,250	1,019,731	(1,156,661)	8,096,263	2,709,678	1,569,525	1,428,541	1,278,664	1,473,827	4,753,716
Total Gross Revenues	89,136,931	94,243,220	103,604,587	97,409,359	109,233,817	114,849,399	110,188,854	113,434,087	122,657,868	166,013,972
MAINTENANCE AND OPERATION COSTS:										
Water Purchases	16,306,497	15,452,140	16,266,623	18,036,267	20,646,287	18,427,794	22,386,982	22,992,874	17,841,634	22,696,270
Water Operations	14,660,805	15,165,860	16,047,064	14,756,060	15,425,962	17,345,188	18,028,308	18,091,588	20,304,841	22,170,480
Sewer Operations	13,460,542	11,876,091	11,250,489	10,123,413	11,221,102	11,362,953	12,345,224	12,574,157	14,626,092	15,844,398
Recycled Water Operations	-	1,340,151	976,330	948,191	946,532	1,002,544	963,053	1,095,709	1,180,378	1,441,506
General and Administrative Maintenance & Operation Obligations	10,675,786	10,246,633	10,561,347	14,268,344	14,263,892	16,552,478	15,657,193	11,469,867	17,179,582	19,432,229
Other	386,473	386,473	386,473	386,473	386,473	386,473	386,473	386,473	386,473	386,473
Other	1,904,771	2,136,442	1,536,746	2,733,523	1,754,127	1,263,975	2,638,351	2,820,601	1,141,806	2,652,471
Total Maintenance and Operations Costs	57,394,874	56,603,790	57,025,072	61,252,271	64,644,375	66,341,405	72,405,584	69,431,269	72,660,806	84,623,827
Net Revenue	31,742,057	37,639,430	46,579,515	36,157,088	44,589,442	48,507,994	37,783,270	44,002,818	49,997,062	81,390,145

COMPUTATION OF DEBT COVERAGE RATIOS (Continued)

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
OBLIGATIONS										
EXPENDITURES:										
Principal	\$8,038,324	\$7,768,644	\$6,261,316	\$7,400,717	\$7,966,348	\$8,759,998	\$8,877,915	\$9,133,526	\$9,632,034	\$11,079,932
Interest	7,379,384	6,561,178	3,552,038	3,624,583	3,534,683	3,205,827	2,341,670	2,673,587	2,899,019	4,587,818
Total Obligation Expenditures	15,417,708	14,329,822	9,813,354	11,025,300	11,501,031	11,965,825	11,219,585	11,807,113	12,531,053	15,667,750
NET REVENUE AFTER OBLIGATION EXPENDITURES	<u>\$16,324,349</u>	<u>\$23,309,608</u>	<u>\$36,766,161</u>	<u>\$25,131,788</u>	<u>\$33,088,411</u>	<u>\$36,542,169</u>	<u>\$26,563,685</u>	<u>\$32,195,705</u>	<u>\$37,466,009</u>	<u>\$65,722,395</u>
DEBT SERVICE COVERAGE RATIO	<u>206%</u>	<u>263%</u>	<u>475%</u>	<u>328%</u>	<u>388%</u>	<u>405%</u>	<u>337%</u>	<u>373%</u>	<u>399%</u>	<u>519%</u>
ALTERNATIVE DEBT SERVICE COVERAGE RATIO ⁽¹⁾	<u>162%</u>	<u>187%</u>	<u>255%</u>	<u>209%</u>	<u>324%</u>	<u>290%</u>	<u>226%</u>	<u>239%</u>	<u>285%</u>	<u>320%</u>
ALTERNATIVE DEBT SERVICE COVERAGE RATIO ⁽⁵⁾	<u>206%</u>	<u>259%</u>	<u>491%</u>	<u>342%</u>	<u>348%</u>	<u>371%</u>	<u>364%</u>	<u>461%</u>	<u>407%</u>	<u>483%</u>

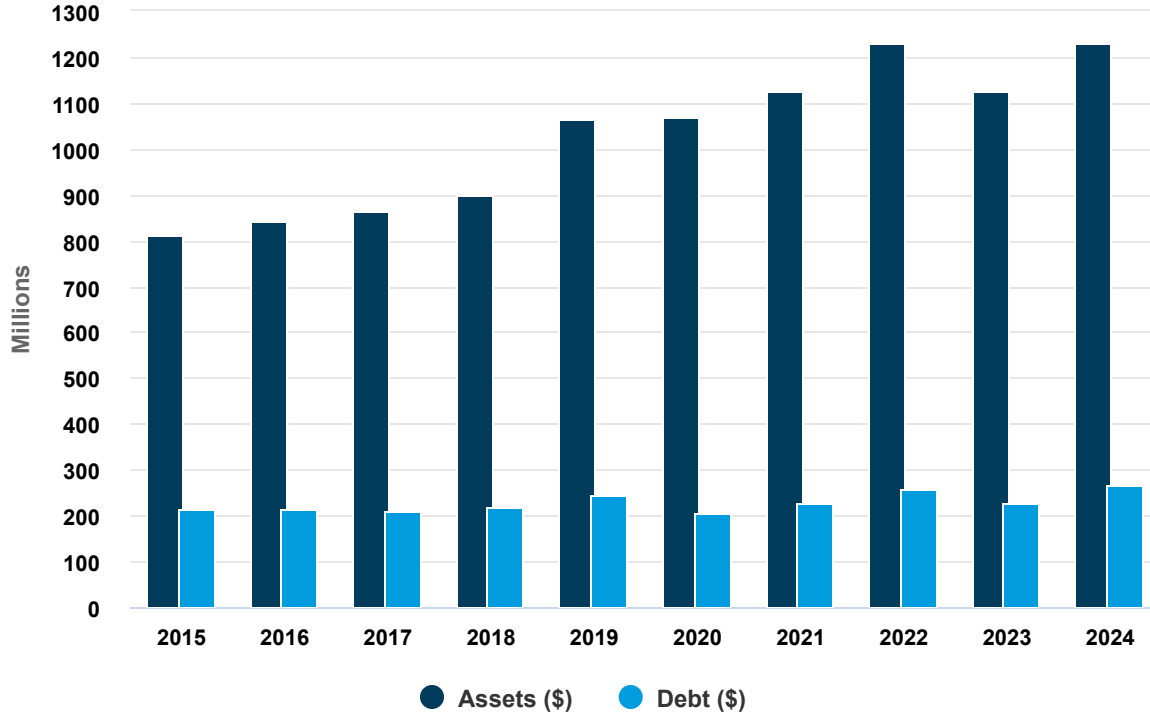
Allow for rounding differences

- (1) Excludes capacity fees, and grants
- (2) Includes transfers from (to) drought, turf replacement, and excess power surcharge reserves
- (3) Excludes early prepayment on loans and COPs
- (4) FY 2018 Transfers from (to) Rate stabilization was updated to include the net transfers (in)/from the Sta Rosa (RCWD) Capital
- (5) Excludes the Unrealized Gains and Losses on Investment Income
- (6) Figures adjusted to reflect implementation of GASB 87 and GASB 96

Source: Elsinore Valley Municipal Water District

TOTAL DEBT TO ASSETS RATIO

Last Ten Fiscal Years



Total Debt to Assets Ratio

Last Ten Fiscal Years

(in Millions)

	2015	2016	2017	2018	2019	2020	2021	(1)	2022	(2)	2023	2024
Assets (\$)	\$ 846	\$ 797	\$ 813	\$ 844	\$ 862	\$ 899	\$ 1,064		\$ 1,071		\$ 1,124	\$ 1,229
Debt (\$)	\$ 268	\$ 215	\$ 213	\$ 215	\$ 210	\$ 218	\$ 243		\$ 206		\$ 226	\$ 264
Debt as % of Assets	31.7%	27.0%	26.2%	25.4%	24.4%	24.3%	22.9%		19.2%		20.1%	21.5%

(1) FY2021 figures updated to reflect prior period adjustment to record certain lease liabilities in accordance with implementation of GASB 87.

(2) FY2022 figures updated to reflect implementation of GASB 87 and GASB 96.

Source: Elsinore Valley Municipal Water District

POPULATION WITHIN DISTRICT BOUNDARIES

Last Ten Calendar Years

Year	City of Lake Elsinore	% of Growth	City of Canyon Lake	% of Growth	City of Murrieta ⁽¹⁾	% of Growth	City of Wildomar ⁽²⁾	% of Growth	Unincorporated Riverside County ⁽¹⁾	% of Growth	Total Population	% of Growth
2024	71,452	(0.7)%	10,832	(1.1)%	19,549	0.0 %	36,327	(0.0)%	26,068	11.5 %	164,228	1.3%
2023	71,973	0.0	10,949	0.0	19,549	0.0	36,336	0.0	23,382	0.0	162,189	0.8
2022	71,615	10.6	11,056	0.3	19,546	(0.1)	36,632	(1.0)	22,132	(20.2)	160,981	0.6
2021	64,762	2.1	11,025	0.2	19,562	0.3	37,013	(0.5)	27,731	4.6	160,093	1.5
2020	63,453	0.8	11,000	(2.5)	19,510	(0.1)	37,183	3.1	26,508	(1.3)	157,654	0.6
2019	62,949	(0.7)	11,285	2.4	19,529	(0.1)	36,066	(0.6)	26,863	5.2	156,692	0.6
2018	63,365	2.1	11,018	1.2	19,546	0.0	36,287	1.4	25,527	1.3	155,743	1.5
2017	62,092	1.8	10,891	2.0	19,543	0.1	35,782	1.7	25,199	3.1	153,507	1.8
2016	61,006	4.4	10,681	(2.0)	19,529	0.1	35,168	3.0	24,452	(6.2)	150,836	1.2
2015	58,426	3.0	10,901	0.7	19,512	0.8	34,148	1.3	26,072	8.9	149,059	3.1

(1) Projected population within District boundary.

(2) City of Wildomar incorporated in 2008

Sources: - State of California Department of Finance - Cities of Lake Elsinore, Canyon Lake, Murrieta, Wildomar, and Unincorporated Riverside County

- www.cityofwildomar.org

- Elsinore Valley Municipal Water District

ECONOMIC STATISTICS

Last Ten Calendar Years

Year	Personal Income ⁽¹⁾	Per Capita Personal Income ⁽²⁾	Riverside County Unemployment Rate ⁽³⁾
2024	\$ 10,169,261	\$ 61,922	4.3%
2023	9,432,393	58,157	4.4
2022	8,740,866	55,037	3.4
2021	8,519,474	53,643	7.2
2020	7,991,418	50,690	15.1
2019	7,691,697	49,088	3.5
2018	7,372,998	47,341	3.7
2017	7,552,804	46,821	5.5
2016	7,132,651	45,219	6.3
2015	6,886,537	44,200	6.8

(1) Projected Personal Income within District boundary - in thousands

(2) Occupation Employment Statistics (OES) for Riverside and San Bernardino Counties for the 1st Quarter of 2019

(3) Bureau of Labor Statistics, Department of Labor

Sources: Employment Development Department, State of California, and Elsinore Valley Municipal Water District

TEN LARGEST PRINCIPAL EMPLOYERS IN RIVERSIDE COUNTY

FISCAL YEAR ENDED JUNE 30, 2024 and 2015

Employer	2015 ⁽¹⁾			2024 ⁽²⁾		
	Rank	Employees	% of Total Labor Force	Rank	Employees	% of Total Labor Force
County of Riverside	1	21,198	2.1%	1	23,772	2.1%
Amazon				2	14,317	1.2
University of California, Riverside	5	5,768	0.6	3	8,593	0.7
State of California				4	8,398	0.7
Walmart	4	6,550	0.6	5	6,465	0.6
Moreno Valley Unified School District				6	6,020	0.5
Kaiser Permanente Riverside Medical Center	6	5,300	0.5	7	5,817	0.5
Riverside Unified School District	9	3,871	0.4	8	5,431	0.5
Mt. San Jacinto Community College District				9	4,638	0.4
Stater Bros. Markets	3	6,900	0.7	10	4,990	0.4
March Air Reserve Base	2	8,500	0.8			
Pechanga Resort and Casino	8	4,000	0.4			
Corona-Norco Unified School District	7	4,932	0.5			
Hemet Unified School District	10	3,400	0.3			
Total		70,419	6.9%		88,441	7.6%

Sources:

(1) County of Riverside - Note: Only the top ten employers that provided data to the Business Press annual census are listed.

(2) Riverside County Economic Development Agency, Last Updated March 2024

MISCELLANEOUS STATISTICS - ELSINORE WATER DIVISION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>WATER PRODUCTION SOURCES (AF)</u>										
Wells (Ground Storage)	6,440	4,384	3,861	2,747	2,593	4,670	5,562	3,341	4,503	1,632
Back Basin Water Treatment Plant	2,060	1,803	413	-	1,086	425	1,347	3,237	3,023	351
Canyon Lake Water Treatment Plant	2,510	435	2,460	1,215	922	1,503	-	-	-	-
MWD (Purchased Water) ⁽¹⁾	12,699	13,572	15,218	19,198	16,991	15,703	17,571	17,705	13,312	18,519
Total Water Production	23,709	20,194	21,952	23,160	21,592	22,301	24,480	24,283	20,838	20,502
Water Sales & Uses (AF)	22,891	19,291	20,278	22,500	20,574	20,919	23,503	22,888	20,229	19,386
% Of Unaccountable Water	3.5%	4.5%	7.6%	2.8%	4.7%	6.2%	4.0%	5.7%	2.9%	5.4%
Canyon Lake Water Purchases (AF)	-	-	-	-	1,800	-	-	-	-	-
Recycled Water Sales (AF)	747	690	864	872	918	1,193	1,301	1,315	1,022	899
Conjunctive Use Program (AF)	5,051	1,068	-	(4,370)	(417)	(1,025)	-	-	900	(3,876)
Peak Daily Production (MG)	41.2	29.4	56.3	47.0	46.8	52.4	37.9	36.7	34.9	33.8
Average Daily Production (MG)	20.8	17.7	19.2	20.3	18.9	19.2	21.0	19.4	21.2	18.4
Total Daily Production Capacity (MG)	63.6	63.6	63.6	63.6	63.6	60.1	60.1	60.1	60.1	60.1
Storage Capacity (MG)	89.6	90.1	90.1	90.1	90.1	90.1	90.0	89.2	89.2	90.3
Untreated Open Reservoir Capacity (MG)	1,531	1,531	1,531	1,531	1,531	1,531	1,531	1,531	1,531	1,531
Number Of Storage Facilities	69	70	70	70	70	70	69	68	68	70
Miles Of Pipe In Service	703	703	725	731	735	730	728	728	743	754
Active Booster Stations	50	51	54	53	53	53	54	51	53	56
Active Water Production Wells	10	10	10	10	12	12	11	10	10	12
Water Meters	42,393	42,957	43,858	44,558	44,892	45,100	45,680	46,112	46,437	47,155
Recycled Water Meters	83	114	116	115	115	140	140	142	142	142
Population Served ⁽²⁾	146,752	148,533	151,203	153,453	154,402	155,331	160,093	160,981	162,189	164,228
Acreage Served	61,948	61,948	61,948	61,948	61,948	61,948	61,948	61,948	61,948	61,948
Total Authorized District Employees	164	164	164	169	169	171	173	173	175	190

(1) Does not include purchases for Canyon Lake

(2) Data restated from 2009 forward to account for a revised estimate calculation

AF = Acre Feet

MG = Million Gallons

Source: Elsinore Valley Municipal Water District

MISCELLANEOUS STATISTICS - TEMESCAL WATER DIVISION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019 ⁽³⁾	2020	2021	2022	2023	2024
<u>Water Production Sources (AF)</u>										
Wells (Ground Storage)	1,956	306	548	500	214	1,352	1,269	676	1,014	816
Lee Lake (Surface Water)	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Imported - MWD	-	46	12	71	350	-	8	27	40	7
Total Water Production (AF)	1,956	352	560	571	564	1,352	1,277	703	1,054	823
Palm Avenue Production (AF)	708	1	521	958	883	363	789	1	1	693
Water Sales & Uses (AF)	1,936	327	541	542	515	1,401	1,347	682	1,023	842
% Of UNACCOUNTABLE WATER ⁽¹⁾	1.0%	7.1%	3.4%	5.1%	8.7%	-3.6% ⁽⁴⁾	-5.5% ⁽⁴⁾	2.9%	2.9%	-2.4%
Peak Daily Production(MG) ⁽²⁾	7.4	4.6	14.4	4.7	7.5	4.9	4.9	3.6	3.6	1.7
Average Daily Production (MG)	2.3	0.3	1.0	1.9	0.5	1.7	3.3	2.1	2.1	0.3
Total Daily Production Capacity (MGD)	2.2	2.2	2.2	2.2	2.0	2.2	2.2	2.2	2.2	2.2
Storage Capacity (MG)	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Untreated Open Reservoir Capacity (MG)	246.0	246.0	246.0	246.0	246.0	246.0	246.0	246.0	246.0	246.0
Number Of Storage Facilities	3	3	2	2	2	2	2	2	2	2
Miles Of Pipe In Service	50	50	12	12	12	12	12	12	12	12
Active Booster Stations	3	3	2	2	2	2	2	2	2	2
Active Water Production Wells	11	11	2	2	2	2	2	2	2	2
Active Water Basins	6	6	6	6	6	6	6	6	6	6
Water Meters	751	722	760	770	780	770	766	783	738	738
Population Served	2,307	2,303	2,303	2,290	2,290	2,323	2,323	2,313	2,313	2,313
Non Potable Acreage Served	1,088	-	-	-	-	-	-	-	-	-

(1) Does not include Palm Ave.

(2) Increased peak daily production amounts are due to Palm Ave. production. This water is transferred to WMWD.

(3) Reduced production result of Agricultural portion of the Temescal Water Division being sold off in March 2015

(4) The well production meters were found to be inaccurate, which produced an inaccurate water loss percentage. Meters have been replaced.

AF = Acre Feet

MG = Million Gallons

Source: Elsinore Valley Municipal Water District

MISCELLANEOUS STATISTICS - WASTEWATER DIVISIONS

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Wastewater Services</u>										
Regional	22,899	23,548	24,344	24,907	25,146	25,442	25,946	26,211 ⁽⁴⁾	26,564	27,234
Railroad Canyon ⁽¹⁾	4,520	4,528	4,537	4,553	4,561	4,568	4,594	4,619	4,634	4,636
Southern ⁽²⁾	4,577	4,577	4,577	4,577	4,577	4,577	4,577	4,713 ⁽⁴⁾	4,713	4,713
Horsethief Canyon	2,054	2,055	2,052	2,052	2,052	2,051	2,051	2,051	2,052	2,052
Total	34,050	34,708	35,510	36,089	36,336	36,638	37,168	37,594	37,963	38,635
<u>Equivalent Dwelling Units</u>										
Regional	31,586	32,241	33,325	34,607	35,025	35,345	35,111	34,616 ⁽⁴⁾	35,113	35,805
Railroad Canyon ⁽¹⁾	4,920	4,928	4,937	4,953	4,961	4,968	4,992	5,014	5,028	5,029
Southern ⁽²⁾	5,086	5,086	5,078	5,079	5,079	5,079	5,079	6,052 ⁽⁴⁾	6,052	6,052
Horsethief Canyon	2,097	2,098	2,052	2,052	2,052	2,051	2,051	2,051	2,051	2,052
Total	43,689	44,353	45,392	46,691	47,117	47,443	47,233	47,733	48,244	48,938
<u>Treatment Plant Capacity (MGD) ⁽³⁾</u>										
Regional	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Railroad Canyon	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Horsethief Canyon	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
<u>Average Daily Flows (MG)</u>										
Regional	5.757	5.278	6.023	5.641	5.950	6.167	6.010	6.089	6.459	6.659
Railroad Canyon	0.641	0.569	0.705	0.696	0.696	0.651	0.699	0.573	0.489	0.476
Southern ⁽²⁾	0.754	0.795	0.734	0.768	0.824	0.879	0.938	0.872	1.182	1.130
Horsethief Canyon	0.354	0.337	0.342	0.333	0.331	0.386	0.359	0.377	0.383	0.337
Total	7.506	6.979	7.804	7.438	7.801	8.083	8.006	7.911	8.513	8.601

MG = Million Gallons

Services = Customer accounts with wastewater service

(1) Approximately 10% of Canyon Lake Sewer accounts are located in Eastern Municipal Water District

(2) Treatment for Southern Wastewater Division is facilitated through Santa Rosa Regional Resources Authority

(3) All Treatment is Tertiary

(4) Various properties were reclassified from Regional to Southern service

Source: Elsinore Valley Municipal Water District

MISCELLANEOUS STATISTICS - WASTEWATER DIVISIONS (Continued)

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Design Peak Hourly Flows (MG)</u>										
Regional	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60
Railroad Canyon	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
Horsethief Canyon	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total	21.70	21.70	21.70	21.70	21.70	21.70	21.70	21.70	21.70	21.70
<u>Average Daily Peak (MG)</u>										
Regional	6.427	5.880	7.048	6.478	6.863	7.067	6.625	6.800	6.959	7.527
Railroad Canyon	0.875	0.720	0.842	0.841	0.804	0.793	0.805	0.680	0.560	0.936
Horsethief Canyon	0.449	0.440	0.463	0.412	0.428	0.506	0.525	0.481	0.506	0.451
Total	7.751	7.040	8.353	7.731	8.095	8.366	7.955	7.961	8.025	8.914
<u>% of Capacity Used</u>										
Regional	72.0	66.0	75.3	70.5	74.4	77.1	75.1	76.1	80.7	83.2
Railroad Canyon	53.4	47.4	58.8	58.0	58.0	54.2	58.3	47.7	40.8	39.6
Horsethief Canyon	70.8	67.3	68.4	66.6	66.2	77.2	71.8	75.4	76.5	67.4
<u>Miles of Pipe in Service</u>										
Regional	296.8	300.0	313.3	305.4	306.8	308.2	310.5	311.6	314.8	316.9
Railroad Canyon	48.9	48.9	49.2	46.2	46.2	46.3	46.3	46.2	46.3	46.4
Horsethief Canyon	18.7	18.7	18.7	18.7	18.7	18.2	18.2	18.2	18.2	18.3
Total	364.4	367.6	381.2	370.3	371.7	372.7	375.0	376.0	379.3	381.6
<u>Number of Lift Stations</u>										
Regional	28	28	29	29	29	29	29	29	29	30
Railroad Canyon	6	6	6	6	6	6	6	6	6	6
Horsethief Canyon	2	2	2	2	2	2	2	2	2	2
Total	36	36	37	37	37	37	37	37	37	38
<u>Recycled Water Production (MG)</u>										
Regional	2,101.3	1,926.6	2,198.3	2,059.0	2,171.7	2,257.2	2,187.8	2,222.6	2,357.5	2,430.4
Railroad Canyon	234.1	207.8	257.4	254.0	254.0	238.2	255.3	209.0	178.6	173.7
Horsethief Canyon	129.3	122.9	124.9	121.5	121.2	141.4	131.2	137.6	139.7	122.9
Total	2,464.7	2,257.3	2,580.6	2,434.5	2,546.9	2,636.8	2,574.3	2,569.3	2,675.7	2,727.0

Source: Elsinore Valley Municipal Water District

NUMBER OF AUTHORIZED EMPLOYEES BY IDENTIFIABLE ACTIVITY

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Water:</u>										
Administration	6.0	6.0	6.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Water Resources Administration	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water Resources Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Water Quality	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water Systems	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	6.0
Electrical Maintenance	-	-	-	-	-	-	-	-	-	5.0
Field Services	11.0	11.0	11.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0
Preventive Maintenance	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Construction	9.0	9.0	9.0	11.0	11.0	11.0	11.0	11.0	11.0	12.0
Mechanical Maintenance	11.0	11.0	11.0	12.0	12.0	12.0	12.0	12.0	14.0	9.0
Facilities Maintenance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	8.0
Water Production	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0
<u>Wastewater:</u>										
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Wastewater Systems	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Wastewater Collections	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0
Wastewater Treatment	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	13.0
<u>Engineering:</u>										
Administration	4.0	4.0	4.0	3.0	8.0	8.0	8.0	8.0	8.0	8.0
Strategic Programs	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-
Capital Design/Construction & Development Services	7.0	7.0	7.0	7.0	6.0	8.0	9.0	9.0	9.0	12.0

Source: Elsinore Valley Municipal Water District

NUMBER OF AUTHORIZED EMPLOYEES BY IDENTIFIABLE ACTIVITY (Continued)

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>General and Administrative:</u>										
Administration	6.0	6.0	6.0	11.0	5.0	5.0	5.0	5.0	5.0	5.0
Legislative & Community Affairs	5.0	5.0	5.0	-	-	-	-	-	-	-
Government Relations	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources/Safety	4.0	4.0	4.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
<u>Business Services</u>										
Administration	1.0	1.0	1.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance & Accounting	11.0	11.0	11.0	13.0	13.0	13.0	13.0	13.0	13.0	14.0
Customer Service	14.0	14.0	14.0	-	-	-	-	-	-	-
Community Relations	-	-	-	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Purchasing/Warehousing	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Information Technology	9.0	9.0	9.0	10.0	10.0	10.0	10.0	10.0	10.0	13.0
Total	164.0	164.0	164.0	169.0	169.0	171.0	173.0	173.0	175.0	190.0

Source: Elsinore Valley Municipal Water District

WATER AND WASTEWATER PREMISES⁽¹⁾
Last Ten Fiscal Years

Year	Water			Wastewater					% of Wastewater vs. Water
	Elsinore	Temescal	Total Water	Regional	Railroad Canyon	Southern	Horsethief Canyon	Total Wastewater	
2024	46,046	718	46,764	27,066	4,210	4,710	2,052	38,038	81.3 %
2023	45,324	717	46,041	26,336	4,205	4,710	2,051	37,302	81.0
2022	45,017	718	45,735	26,051	4,196	4,710	2,051	37,008	80.9
2021	44,674	718	45,392	25,879	4,181	4,575	2,051	36,686	80.8
2020	44,108	718	44,826	25,325	4,156	4,575	2,051	36,107	80.5
2019	43,853	712	44,565	25,068	4,149	4,575	2,052	35,844	80.4
2018	43,591	712	44,303	24,837	4,136	4,575	2,052	35,600	80.4
2017	42,885	713	43,598	24,166	4,120	4,575	2,052	34,913	80.1
2016	41,917	714	42,631	23,348	4,114	4,575	2,055	34,092	80.0
2015	41,344	755	42,099	22,797	4,102	4,575	2,054	33,528	79.6

(1) Premise = A distinct property to which the District provides water and/or wastewater service.

Source: Elsinore Valley Municipal Water District

ACTIVE METERS⁽¹⁾ BY METER SIZE - ENTIRE DISTRICT
 Last Ten Fiscal Years

Meter Size	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
3/4"	40,080	40,650	41,292	42,041	42,293	42,527	43,096	43,443	43,751	44,443
1"	1,727	1,763	2,015	2,035	2,069	2,079	2,079	2,104	2,107	2,110
1-1/2"	390	399	410	409	426	424	428	445	441	456
2"	816	832	854	837	860	842	844	874	860	865
3"	48	55	58	50	59	51	52	65	62	63
4"	57	73	78	60	78	60	60	78	75	77
6"	14	11	16	15	17	16	16	17	13	13
8"	10	6	9	9	9	9	9	9	6	6
Other	2	2	2	2	2	2	2	2	2	2
Totals	43,144	43,791	44,734	45,458	45,813	46,010	46,586	47,037	47,317	48,035
Increase (Decrease)	535	647	943	724	355	197	576	451	280	718
% Change	1.3%	1.5%	2.2%	1.6%	0.8%	0.4%	1.3%	1.0%	0.6%	1.5%

Source: Elsinore Valley Municipal Water District
 (1) - Includes Potable, Non-Potable and Recycled Water Meters

SCHEDULE OF IMPORTED WATER COSTS (PER ACRE FOOT)

Last Ten Fiscal Years

Calendar Year	MWD Untreated Rate-Tier 1 ⁽¹⁾	MWD Untreated Rate-Tier 2 ⁽¹⁾	WMWD Admin Surcharge	Total Imported Water Costs Untreated-Tier 1	MWD Treated Surcharge	Total Imported Water Costs Treated-Tier 1	WMWD Pipeline Surcharge ⁽²⁾	EMWD Surcharge ⁽²⁾	% of Rate Increase
2024	\$903.00	\$1,102.00	\$25.52	\$928.52	\$353.00	\$1,281.52	\$17.25	\$11.00	3.9 %
2023	855.00	1,064.00	24.78	879.78	354.00	1,233.78	16.75	11.00	5.7
2022	799.00	841.00	24.06	823.06	344.00	1,167.06	16.26	11.00	3.5
2021	777.00	819.00	23.36	800.36	327.00	1,127.36	15.79	11.00	2.4
2020	755.00	842.00	22.68	777.68	323.00	1,100.68	15.33	11.00	2.7
2019	731.00	817.00	22.02	753.02	319.00	1,072.02	14.88	11.00	3.4
2018	695.00	781.00	21.38	716.38	320.00	1,036.38	14.45	11.00	3.7
2017	666.00	760.00	20.76	686.76	313.00	999.76	13.76	11.00	3.9
2016	594.00	728.00	20.16	614.16	348.00	962.16	13.10	11.00	2.1
2015	582.00	714.00	19.57	601.57	341.00	942.57	12.72	11.00	3.7

(1) In January 2003, MWD implemented a new two-tiered commodity rate structure

(2) The District pays either the WMWD Pipeline Surcharge (\$17.25) or the EMWD (\$11.00) surcharge depending upon which connection is used to import water

in addition to the total imported water cost-tier 1

MWD = Metropolitan Water District of Southern California

EMWD = Eastern Municipal Water District

WMWD = Western Municipal Water District

Source: Elsinore Valley Municipal Water District

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Data Section

Elsinore Valley Municipal Water District | Year ended June 30, 2024

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DISTRICT EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN)

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual Covered Payroll	\$ 12,307,222.00	\$12,648,098.00	\$12,560,469.00	\$12,085,954.00	\$ 12,560,391.00	\$13,966,669.00	\$ 14,179,139.00	\$ 14,819,392.00	\$ 15,432,437.00	\$18,494,357.00 ⁽²⁾
Employer contributions	2,500,495	2,656,957	2,742,846	2,907,458	3,299,273	3,669,646	4,016,728	4,332,215	4,894,596	4,915,440 ⁽²⁾
Employer contribution rate	20.323%	21.019%	21.871%	24.057%	26.267%	26.274%	28.328%	29.233%	31.716%	26.578%
Employer paid										
employee contributions	10,465	10,320	10,420	9,875	10,320	10,947	9,612	648	9,929	5,687
Employer paid										
employee contributions rate	0.09%	0.08%	0.08%	0.08%	0.08%	0.08%	0.07%	0.00%	0.06%	0.03%
Total PERS contribution	2,510,960	2,667,277	2,753,266	2,917,333	3,309,593	3,680,593	4,026,340	4,332,863	4,904,525	4,921,127
Total contributions										
expressed as a percentage										
of annual covered payroll	20.40%	21.09%	21.92%	24.14%	26.35%	26.35%	25.88%	28.76%	31.78%	26.61%
Funded Ratio	76.56%	72.92%	72.18%	74.70%	74.28%	73.71%	85.70%	72.58%	72.77%	(1)
Actuarial Value of Assets	59,780,252	60,676,954	67,736,143	73,332,813	78,321,358	82,393,535	101,375,386	93,761,275	99,858,185	(1)
Actuarial Accrued Liability										
Entry Age	78,079,621	83,206,291	93,839,849	98,169,288	105,446,251	111,779,977	118,292,919	129,175,499	137,230,418	(1)
Unfunded actuarial accrued liability	18,299,369	22,529,337	26,103,706	24,836,475	27,124,893	29,386,442	16,917,533	35,414,224	37,372,233	(1)
Unfunded actuarial accrued liability as a percent of payroll	148.70%	178.10%	207.80%	205.50%	215.96%	210.40%	119.31%	238.97%	242.17	(1)
Normal cost	12.02%	12.42%	12.30%	12.13%	12.20%	12.51%	12.94%	12.29%	12.05%	13.35%

(1) Information not available

(2) Information from District Financial Report, as of June 30, 2024

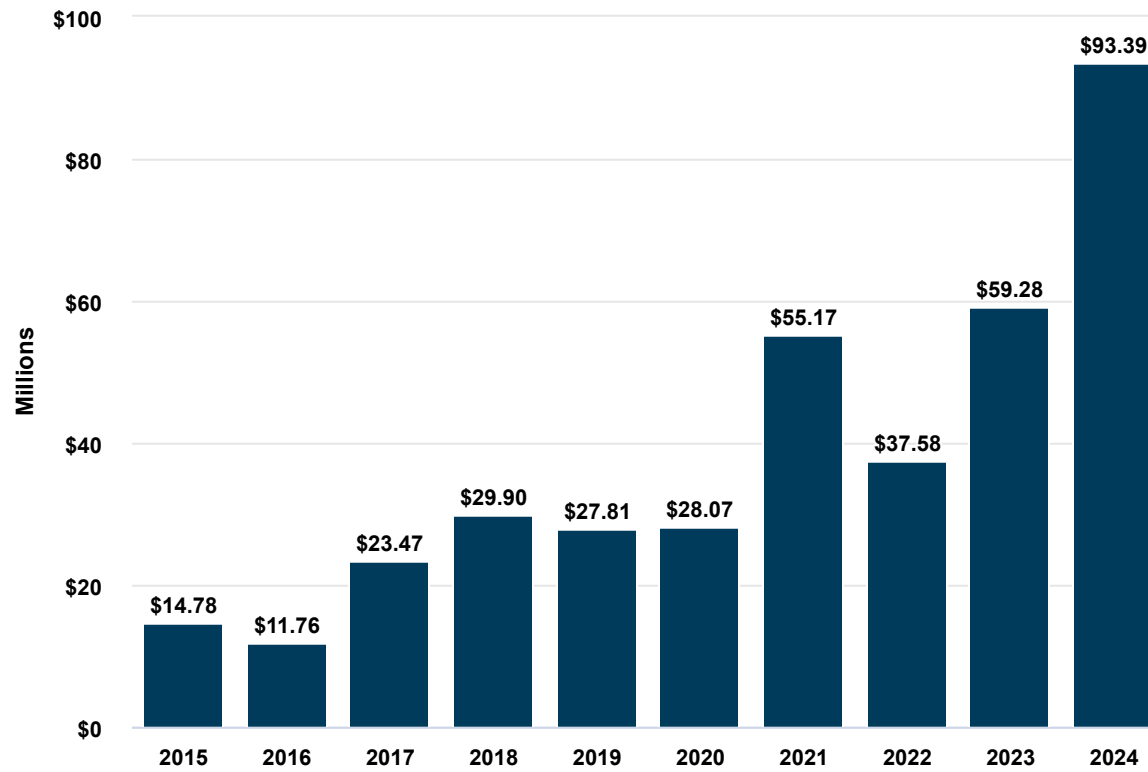
Source: Elsinore Valley Municipal Water District and California Public Employees' Retirement System (CalPERS)

ASSESSED VALUATION OF TAXABLE PROPERTY WITHIN THE DISTRICT
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total</u>	<u>Percent Change</u>
2024	\$ 20,284,048,749	\$ 123,153,146	\$ 20,407,201,895	8.5%
2023	18,686,608,037	124,741,020	18,811,349,057	7.9
2022	17,299,557,374	126,839,545	17,426,396,919	5.5
2021	16,392,341,906	128,344,671	16,520,686,577	4.8
2020	15,626,610,388	131,732,321	15,758,342,709	4.5
2019	14,944,680,499	134,066,120	15,078,746,619	7.2
2018	13,929,748,871	135,323,188	14,065,072,059	5.5
2017	13,198,752,201	135,011,969	13,333,764,170	6.4
2016	12,394,604,722	134,577,017	12,529,181,739	6.6
2015	11,620,114,190	133,947,841	11,754,062,031	11.2

Source: County of Riverside

CAPITAL EXPENDITURES Last Ten Fiscal Years



Elsinore Valley Municipal Water District



**ELSINORE
VALLEY**

MUNICIPAL WATER DISTRICT