

Atascadero Mutual Water Company
P.O. Box 6075
Atascadero, CA 93423

Water Watch



July 2025

ATASCADERO MUTUAL WATER COMPANY

5-Year Capital Improvement Plan

AMWC's capital improvement plan for fiscal year ending April 30, 2026 (FY 2026), anticipates \$10.8 million in expenditures, with the majority of the expenses going toward the design, permitting, and construction of a water treatment facility to remove perfluoroalkyl substances (PFAS); most of the expenses for construction are expected to occur in FYs 2026 and 2027. Other projects include replacing defective water main valves, replacing aging water service laterals and meters, installing new water service laterals and meters, upgrading fire hydrants, installing new fire hydrants, and numerous other projects. Many of these projects are done in conjunction with, and ahead of, city and county road improvement projects to avoid cutting into roads that have been recently improved. The cost of these capital projects is in addition to the ongoing expenses associated with the operation and maintenance of AMWC's wells, booster stations, tanks, the distribution system, and the Nacimiento Water Project.

Annual expenditures for capital projects for FY 2027 are anticipated to be nearly \$26 million and will primarily be related to the construction of the new water treatment facility. Capital investment expenditures for FY 2028 through FY 2030 average \$1.19 million and include replacing defective water main valves, replacing aging water service laterals and meters, replacing aging vehicles and equipment, upgrading pressure-reducing stations, installing new water service laterals and meters, upgrading fire hydrants, installing new fire hydrants, and numerous other projects intended to offset the depreciation of the water system.

Debt service, operating, and maintenance costs for the Nacimiento Water Project have had a significant impact on AMWC's budget. These costs are anticipated to average \$3.2 million per year over the next five years. Debt service payments of \$2.6 million will continue through year 2041.

Customer Contact Information

Please update your contact information if it changes by calling AMWC or visiting amwc.us and using the Quick Link. We will only contact you in the event of: disruptions to water service due to emergency or planned shutdowns; pending shut-off of your water service due to non-payment; unusually high water usage at your property (as recorded when the meter is read), which may indicate a leak; and, payment issues related to your water account.

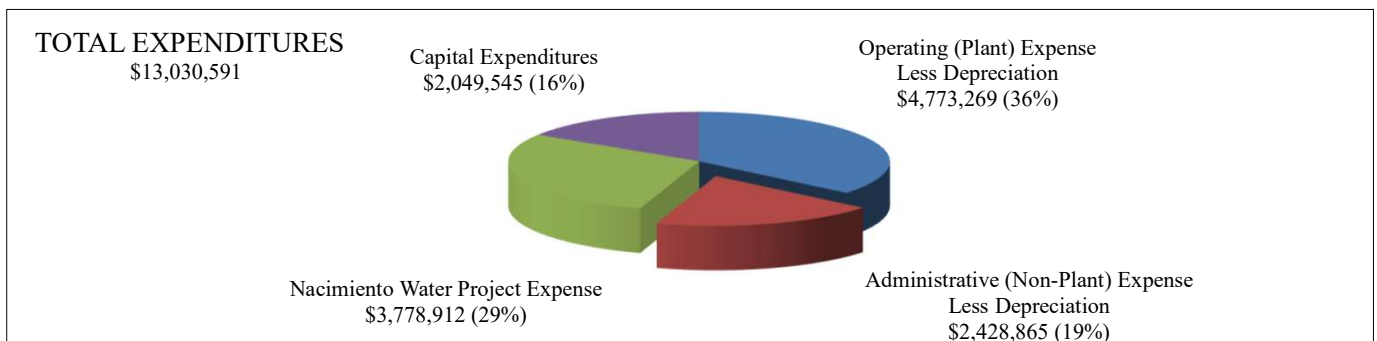
FINANCIAL STATEMENTS

BALANCE SHEETS

	APRIL 30	
	2025	2024
Current Assets		
Cash and cash equivalents	\$ 1,985,154	\$ 3,391,260
Short-term investments	4,096,238	1,209,086
Accounts receivable, net of allowance for doubtful accounts	1,453,237	1,325,222
Inventory	665,191	704,755
Prepaid expenses and other receivables	263,634	237,577
Prepaid Nacimiento water project	735,221	570,611
Total current assets	9,198,675	7,438,511
Property and Equipment, net of accumulated depreciation	45,966,298	45,372,895
TOTAL ASSETS	<u>\$ 55,164,973</u>	<u>\$ 52,811,406</u>
Current Liabilities		
Accounts payable	\$ 408,399	\$ 282,221
Customer deposits	292,888	369,077
Accrued salaries and benefits	760,844	663,008
Other accrued expenses	37,044	40,072
Total current liabilities	1,499,175	1,354,378
Commitments and Contingencies		
Shareholders' Equity		
Common stock	102,350	102,745
Contributed capital	3,088,714	3,088,714
Retained earnings	50474734	48,265,569
Total shareholders' equity	53,665,798	51,457,028
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 55,164,973</u>	<u>\$ 52,811,406</u>

STATEMENTS OF OPERATIONS

	YEARS ENDED APRIL 30	
	2025	2024
Revenues		
Water sales	\$ 12,213,903	\$ 10,892,621
Meter installation and connection fees	928,489	771,436
Other revenue	1,368,264	1,308,771
Total revenue	14,510,656	12,972,828
Plant Operating Expenses		
Salaries and wages	1,467,593	1,284,572
Benefits	432,174	433,093
Electricity and gas	1,393,721	1,309,089
Plant repairs	803,775	614,748
Depreciation	1,425,905	1,372,883
Other plant expense	676,006	690,210
Total plant operating expense	6,199,174	5,704,595
Non-Plant Operating Expenses		
Office salaries and wages	1,033,349	976,285
Benefits	255,101	219,060
Meter reading and servicing	194,846	191,096
Office	11,920	13,544
Professional fees	181,466	168,309
Insurance	126,477	108,415
Depreciation	30,237	34,452
Nacimiento water project debt service	2,611,157	2,620,574
Nacimiento water project operating and maintenance	1,167,755	710,984
Other non-plant expense	625,706	593,174
Total non-plant operating expense	6,238,014	5,635,893
Operating income (loss)	2,073,468	1,632,340
Non-Operating Income	164,765	401,833
Net income (loss) before income taxes	2,238,233	2,034,173
Income Tax Expense	29,463	24,914
NET INCOME (LOSS)	<u>\$ 2,208,770</u>	<u>\$ 2,009,259</u>



This information is obtained from AMWC's 2025 financial reports audited by Caliber Audit & Attest, LLP.
The complete report, including notes to financial statements, can be obtained at AMWC's office located at 5005 El Camino Real, Atascadero.