



Dublin San Ramon
Services District
Water, wastewater, recycled water

Audit Results and Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2025

Board of Directors Meeting
December 16, 2025

Ken Spray, Finance Director, DSRSD
John Cropper, Managing Partner, Cropper Rowe

Background

Documents Prepared

- Annual Comprehensive Financial Report (ACFR)
 - Independent Auditor's Report
 - Audited financial statements
- Required letters from auditor
 - Management Letter
 - Required Communications Letter



Standards Followed

- Enterprise fund basis of accounting
- Generally Accepted Accounting Principles (GAAP) for financial statements
- Generally Accepted Auditing Standards (GAAS) for financial audits



Contents of Independent Auditor's Report

- Opinions - DSRSD received unmodified, "clean" opinion
- Basis for Opinions
- Responsibilities of Management
- Responsibilities of Auditor
- Summarized Comparative Information
- Emphasis on Certain Adjustments
- Required Supplementary Information
- Supplementary Information

Audit Timeline



Financial Highlights

	2025	2024	Change	% Change
ASSETS AND DEFERRED OUTFLOWS	\$661.40	\$640.65	\$20.75	3.1%
Cash and investments	258.71	240.83	17.89	7.4%
Capital assets	302.32	297.73	4.59	1.5%
REVENUES	\$118.15	\$105.71	\$12.44	11.8%
Operating revenues (service charges)	75.23	67.28	7.96	11.8
Investment income	12.89	11.11	1.79	16.1%
Capacity reserve fees	11.42	11.85	(0.43)	-3.6%
EXPENSES	\$94.28	\$97.03	(\$2.75)	-2.8%
Operating expenses	81.49	82.60	(1.11)	-1.3%
Depreciation	11.64	13.26	(1.61)	-12.2%

Amounts shown are in millions.

Combined Balance Sheet

Assets	\$639.45
Deferred Outflow	\$21.95

Liabilities	\$78.52
Deferred Inflow	\$5.90

 **2025 Net Position** \$576.98

Amounts shown are in millions.

Components of Net Position

Net investment in capital assets	\$268.28
Restricted for capital improvements	213.44
Restricted for assessment district	.04
Unrestricted	95.22
<hr/>	
Total 2025 net position	\$576.98
<hr/>	
Total 2024 net position	\$553.10
<hr/>	
Change	\$23.87
	4.3%

Amounts shown are in millions.

Statements on Auditing Standards (SAS)

SAS No. 114 Required Communications

- Communication on audit
- Significant audit matters
- Other matters

SAS No. 115 Management Letter

- Communication on internal control
- Deficiencies
 - Material weaknesses
 - Significant deficiencies



SAS No. 114 Required Communications

- Significant audit matters
 - Qualitative aspects of accounting practices - neutral, consistent, and clear disclosures
 - No significant difficulties encountered in performing audit
 - Corrected material misstatements
 - No disagreements with management
 - No management consultations with other independent accountants for second opinion
- Other Matters
 - Scope of audit



SAS No. 115 Management Letter

- Material weaknesses (items 1-3)
 - Capitalization of completed project
 - Premium for 2017 Water Refunding Bond
 - Connection fees accrual
- Significant deficiencies (items 4-5)
 - Administrative Cost Center (Fund 900) administrative accounts
 - JPA funds





Dublin San Ramon
Services District
Water, wastewater, recycled water

Questions?

Ken Spray, Finance Director

kspray@dlsru.com

Award for ACFR

GFOA recognized DSRSD for reporting excellence for 24 consecutive years



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dublin San Ramon Services District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrell
Executive Director/CEO



Dublin San Ramon Services District
Water, wastewater, recycled water