



STAFF REPORT

Meeting Type: Finance & Administration Committee
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director
Through: Ben Horenstein, General Manager
Meeting Date: August 27, 2026

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TYPE OF ITEM: Approve X Review and Comment

RECOMMENDATION: Review the Monthly Financial Update

SUMMARY: The Monthly Financial Update provides an overview for fiscal year 2026/27 water sales revenue and fiscal year-to-date financials. This month's report also provides preliminary results for FY 2025/26.

Fiscal year 2026/27 District operating and capital revenue is \$15.1 million, which is 8% of budgeted revenue for the year. Total expenditures are \$9.5 million, or 5% of annual budget. Water sales, excluding fixed charges, are 3% above the budget for the first month of the fiscal year.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2026/27 as of July 31, 2026, which is prepared by fund and includes revenues and expenditures. For reference, if revenues and expenses occurred at a consistent rate, they would be expected to be at 8% of the annual budget by the end of July. Due to the seasonal impacts on water use, water sales revenues are expected to be at 9% of the annual revenue budget by the end of July.

For the Operating Fund, total revenues as of July 31, 2026, are \$13.6 million, or 8% of the annual budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$8.8 million, or 7% of budget. For the Capital Fund, total revenues are \$1.5 million, which is 7% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues, which are at 7% of the budget. Total Capital Improvement Program (CIP) expenditures are \$0.7 million, or 1% of budget, as CIP projects typically do not follow linear trends in expenditures.

The fiscal year to date billed water sales through July 31, 2026, were \$10.9 million, which is 9% of the annual water sales revenue forecast. Billed water consumption through July 31, 2026, was 1,862 AF, which is 13% above the same time last year.

Year-to-date total water sales and fees (service charges, watershed fees and capital maintenance fees) through July 31, 2026, were \$14.5 million, which is 8% of the total annual rate revenue forecast of

\$175.3 million (\$156.5 million operating and \$18.8 million capital). Compared to the same period for the previous fiscal year, revenue from water sales and fees increased by \$2.3 million, or 19%.

For fiscal year 2025/26, billed water sales before year-end accounting adjustments were \$106.6 million, which is 92% of the annual water sales forecast. Billed water consumption was 20,048 AF, which is 4.9% below the forecast and 4.2% lower than FY 2024/25. Total water sales and fees (service charges, watershed fees and capital maintenance fees) were \$156.4 million, which is 94% of the total annual rate revenue forecast of \$165.8 million.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

1. Total Water Sales and Fixed Charges & Fees FY 2024/25 – 2025/26
2. Billed Water Consumption in AF FY 2015/16 to FY 2025/26
3. Total Water Sales and Fixed Charges & Fees FY 2025/26 – 2026/27
4. Billed Water Consumption in AF FY 2016/17 to FY 2026/27
5. Budget to Actual Comparison for FY 2026/27
6. CIP Budget to Actual Comparison for FY 2026/27