



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director
Through: Ben Horenstein, General Manager
Meeting Date: February 15, 2024

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TYPE OF ACTION: Action X Information Review and Refer

RECOMMENDATION: Review the Monthly Financial Update, which will provide an overview of the fiscal year-to-date financials

SUMMARY: The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of January 31, 2024, District revenue is \$79.1 million, which is 57.5% of budgeted revenue, and total expenditures including encumbrances are \$71.4 million, or 52.6% of budget. Water sales, excluding fixed charges, are down by approximately 3.9% compared to the original budget.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2023/24 as of January 31, 2024. For reference, if revenues and expenses tracked linearly, they would be expected to be at 58.3% of the fiscal year budget at the end of January. Water sales, which are relatively higher in the summer months, would be expected to be 59.5% of the fiscal year budget at this time of year.

For the Operating Fund, total revenues as of January 31, 2024 are \$67.5 million, or 57.4% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$55.3 million, or 53.0% of budget.

For the Capital Fund, total revenues are \$11.6 million, which is 58.2% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$9.5 million, which are at 55.2% of the budget. Total Capital Improvement Project (CIP) expenditures are \$9.5 million, or 30.2% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$6.6 million is encumbered, bringing total expenditures with encumbrances to \$16.1 million, or 51.4% of budget.

The fiscal year to date billed water sales through January 31, 2024 were \$48.3 million, which is 57.2% of the annual water sales forecast, and 96.1% of the expected revenue through the first seven months

of the year. Billed water consumption through January 31, 2024 was 13,080 AF, which is 4.4% higher than this time last year.

Year-to-date total water sales and fixed charges (service charges, watershed fees and capital maintenance fees) through January 31, 2024 were \$74.3 million, which is 56.5% of total annual revenue forecast of \$131.4 million (\$114.3 million operating and \$17.1 million capital). Compared to the same period for the previous fiscal year water sales and fixed charges increased by \$16.2 million, or 27.8%.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

1. Total Water Sales and Fixed Charges & Fees FY 2022/23 – 2023/24
2. Billed Water Consumption in AF FY 2013/14 to FY 2023/24
3. Budget to Actual Comparison for FY 2023/24
4. CIP Budget to Actual Comparison for FY 2023/24