



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director *BU*
Through: Ben Horenstein, General Manager *BH*
Meeting Date: September 26, 2024

TYPE OF ACTION: Action X Information Review and Refer

RECOMMENDATION: Review the Monthly Financial Update

SUMMARY: The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of August 31, 2024, District operating and capital revenue is \$29.6 million, which is 19% of budgeted revenue for the year. Total expenditures including encumbrances are \$21.3 million, or 12% of annual budget. Water sales, excluding fixed charges, are \$20.9 million, which is 21% of the annual budget.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2024/25 as of August 31, 2024. The budget to actual comparison is prepared by fund and includes revenues and expenditures. For reference, if revenues and expenses tracked linearly, they would be expected to be at 17% of the fiscal year budget at the end of August. Water sales, which have seasonal variability, would be expected to be at 19% of the fiscal year budget.

For the Operating Fund, total revenues as of August 31, 2024 are \$26.6 million, or 20% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$14.7 million, or 14% of budget. For the Capital Fund, total revenues are \$3 million, which is 13% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$2.7 million, which are at 15% of the budget. Total Capital Improvement Project (CIP) expenditures are \$2.2 million, or 3% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$4.4 million is encumbered, bringing total expenditures with encumbrances to \$6.6 million, or 10% of budget.

The fiscal year to date billed water sales through August 31, 2024 were \$20.9 million, which is 20% of the annual water sales forecast, and 108% of the expected revenue through the first two months of the year. Billed water consumption through August 31, 2024 was 4,742 AF, which is 8.5% higher than this time last year.

Year-to-date total water sales and fees (service charges, watershed fees and capital maintenance fees) through August 31, 2024 were \$28.9 million, which is 19% of the total annual rate revenue forecast of

\$151.5 million (\$133.5 million operating and \$18.0 million capital). Compared to the same period for the previous fiscal year water sales and fees increased by \$9.9 million, or 52%.

This month's report also includes year-end data for FY 2023/24. Total water sales and fees ended the year at \$119.9 million, which was 91% of the annual budget and a 28% increase from the prior year. Billed water consumption ended the year at 20,027 AF, which was 95% of the annual budget and a 4 percent increase compared to the prior year.

ENVIRONMENTAL REVIEW: Not Applicable.

FISCAL IMPACT: Not Applicable.

ATTACHMENT(S):

1. Total Water Sales and Fixed Charges & Fees FY 2023/24 – 2024/25
2. Billed Water Consumption in AF FY 2014/15 to FY 2024/25
3. Budget to Actual Comparison for FY 2024/25
4. CIP Budget to Actual Comparison for FY 2024/25
5. Total Water Sales and Fixed Charges & Fees FY 2022/23 – 2023/24
6. Billed Water Consumption in AF FY 2013/14 to FY 2023/24