



STAFF REPORT

Meeting Type: Finance & Administration Committee/Board of Directors
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director
Through: Ben Horenstein, General Manager *BU BH*
Meeting Date: March 28, 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 February 29, 2024, District operating and capital revenue is \$89.8 million, which is 65.3% of budgeted revenue. Total expenditures including encumbrances are \$78.8 million, or 58% of budget. Water sales, excluding fixed charges, are down by approximately 6.1% compared to the original budget.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2023/24 as of February 29, 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 66.7% of the fiscal year budget at the end of February. Water sales would be expected to be 67.7% of the fiscal year budget at this time of year.

For the Operating Fund, total revenues as of February 29, 2024 are \$76.2 million, or 64.7% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$61.7 million, or 59.1% of budget.

For the Capital Fund, total revenues are \$13.6 million, which is 68.5% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$11.1 million, which are at 64.7% of the budget. Total Capital Improvement Project (CIP) expenditures are \$10.7 million, or 34.1% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$6.3 million is encumbered, bringing total expenditures with encumbrances to \$17.1 million, or 58% of budget.

The fiscal year to date billed water sales through February 29, 2024 were \$53.8 million, which is 63.6% of the annual water sales forecast, and 93.9% of the expected revenue through the first eight months of the year. Billed water consumption through February 29, 2024 was 14,511 AF, which is 4.3% higher than this time last year.

Year-to-date total water sales and other charges (service charges, watershed fees and capital maintenance fees) through February 29, 2024 were \$84.1 million, which is 64% 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 \$18.1 million, or 27.4%.

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