



# STAFF REPORT

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**Meeting Type:** Finance & Administration Committee  
**Title:** Monthly Financial Update  
**From:** Bret Uppendahl, Finance Director *BU*  
**Through:** Shaun Horne for Ben Horenstein, General Manager *SH*  
**Meeting Date:** September 24, 2026

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**TYPE OF ITEM:** Approve      X      Review and Comment

**RECOMMENDATION:** Review and comment on 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.

Fiscal year 2026/27 District operating and capital revenue is \$35.2 million, which is 19% of budgeted revenue for the year. Total expenditures are \$43.3 million, or 23% of annual budget. Water sales, excluding fixed charges, are 7% below the budget for the first two months of the fiscal year.

**DISCUSSION:** Attached is the budget to actual comparison for fiscal year 2026/27 as of August 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 17% of the annual budget by the end of August. Due to the seasonal impacts on water use, water sales revenues are expected to be at 22% of the annual revenue budget by the end of August.

For the Operating Fund, total revenues as of August 31, 2026, are \$31.8 million, or 20% of the annual budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$18.2 million, or 15% of budget. For the Capital Fund, total revenues are \$3.4 million, which is 16% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues, which are at 16% of the budget. Total Capital Improvement Program (CIP) expenditures are \$2 million, or 3% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$23.1 million is encumbered, bringing total expenditures with encumbrances to \$25.1 million, or 40% of budget.

The fiscal year to date billed water sales through August 31, 2026, were \$25.4 million, which is 21% of the annual water sales revenue forecast. Billed water consumption through August 31, 2026, was 4,434 AF, which is 1% above the same time last year.

Year-to-date total water sales and fees (service charges, watershed fees and capital maintenance fees) through August 31, 2026, were \$34.1 million, which is 19.5% 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 \$3.2 million, or 10%.

**ENVIRONMENTAL REVIEW:** Not applicable

**FISCAL IMPACT:** None.

**ATTACHMENT(S):**

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