



STAFF REPORT

Meeting Type: Finance & Administration Committee
Title: Monthly Financial Update
From: Bret Uppendahl, Finance Director
Through: Ben Horenstein, General Manager
Meeting Date: May 28, 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 2025/26 water sales revenue and fiscal year-to-date financials.

Fiscal year 2025/26 District operating and capital revenue is \$141.7 million, which is 78% of budgeted revenue for the year. Total expenditures including encumbrances are \$145.3 million, or 67% of annual budget. Water sales, excluding fixed charges, are 7.5% below the budget for the first ten months of the year.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2025/26 as of April 30, 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 83% of the annual budget by the end of April. However, due to the seasonal impacts on water use, water sales revenues are expected to be at 80 percent of the annual revenue budget by the end of April.

For the Operating Fund, total revenues as of April 30, 2026, are \$121.9 million, or 79% of the annual budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$97.2 million, or 75% of budget. For the Capital Fund, total revenues are \$19.8 million, which is 72% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues, which are at 84% of the budget. Total Capital Improvement Program (CIP) expenditures are \$25.7 million, or 30% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$22.4 million is encumbered, bringing total expenditures with encumbrances to \$48.1 million, or 55% of budget.

The fiscal year to date billed water sales through April 30, 2026, were \$89 million, which is 77% of the annual water sales revenue forecast. Billed water consumption through April 30, 2026, was 16,757 AF, which is 3.4% lower than this time last year.

Year-to-date total water sales and fees (service charges, watershed fees and capital maintenance fees) through April 30, 2026, were \$130.5 million, which is 79% of the total annual rate revenue forecast of \$165.8 million (\$147.9 million operating and \$17.9 million capital). Compared to the same period for the previous fiscal year, revenue from water sales and fees increased by \$8.8 million, or 7%.

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. Budget to Actual Comparison for FY 2025/26
4. CIP Budget to Actual Comparison for FY 2025/26