



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: June 27, 2024

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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 May 31, 2024, District operating and capital revenue is \$115.6 million, which is 84% of budgeted revenue. Total expenditures including encumbrances are \$102.4 million, or 75% of budget. Water sales, excluding fixed charges, are down by approximately 11.2% compared to the original budget.

DISCUSSION: Attached is the budget to actual comparison for fiscal year 2023/24 as of May 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 92% of the fiscal year budget at the end of April. Water sales would be expected to be 88% of the fiscal year budget at this time of year.

For the Operating Fund, total revenues as of May 31, 2024 are \$97.8 million, or 83% of budget. Total operating expenditures, not including depreciation and amortization or encumbrances, are \$81.8 million, or 78% of budget. For the Capital Fund, total revenues are \$17.8 million, which is 89% of budget. These revenues are comprised primarily of Capital Maintenance Fee (CMF) revenues of \$14.9 million, which are at 87% of the budget. Total Capital Improvement Project (CIP) expenditures are \$15.4 million, or 48% of budget, as CIP projects typically do not follow linear trends in expenditures. As noted in Attachment 4, an additional \$5.2 million is encumbered, bringing total expenditures with encumbrances to \$20.6 million, or 65% of budget.

The fiscal year to date billed water sales through May 31, 2024 were \$65.8 million, which is 78% of the annual water sales forecast, and 88% of the expected revenue through the first eleven months of the year. Billed water consumption through May 31, 2024 was 17,777 AF, which is 3.6% higher than this time last year.

Year-to-date total water sales and other charges (service charges, watershed fees and capital maintenance fees) through May 31, 2024 were \$106.5 million, which is 81% 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 \$22.1 million, or 26%.

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