



# Monthly Financial Update

Board of Directors/  
Finance & Administration Committee

June 23, 2022



# Revenues

(in millions)

at 91.7% of Fiscal Year

Description	FY 21/22 Budget	FY 21/22 As of 5/31/22	Actual to Budget (%)
Water Revenue	85.9	65.0	75.6%
Other Revenue	2.8	5.0	181.2%
<b>Total Operating Revenue</b>	<b>88.7</b>	<b>70.0</b>	<b>78.9%</b>
Fire Flow Fee	4.5	4.3	96.1%
Capital Revenue (incl. CMF \$17.4M)	18.2	16.1	88.6%
<b>All Revenue</b>	<b>111.4</b>	<b>90.5</b>	<b>81.2%</b>

# Revenues

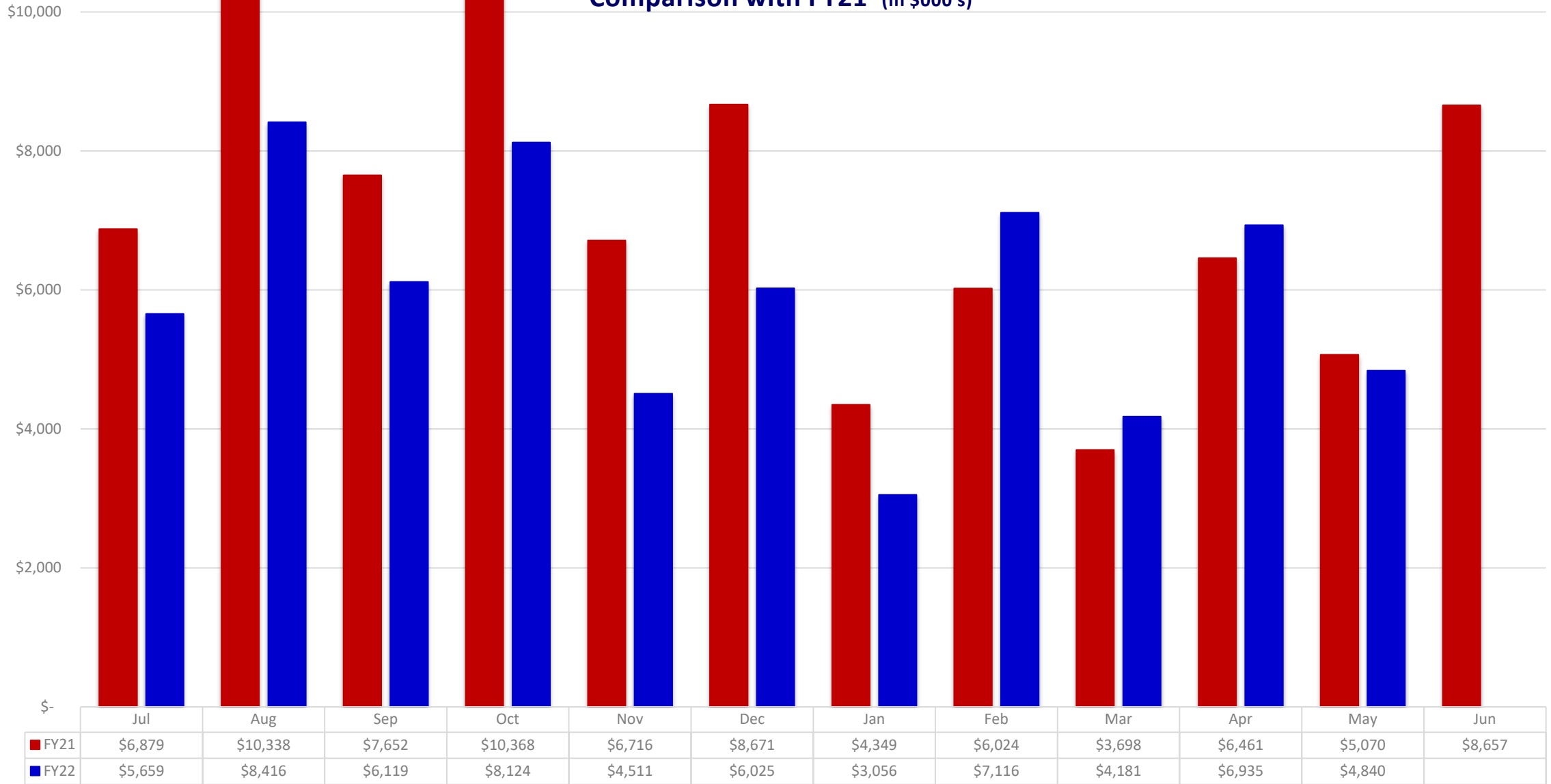
## at 91.7% of Fiscal Year

### FY2022 Water Sales Budget to Actual

	Water Sales		Service Charge		Watershed Fee	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
July '21	4,840,348	3,893,617	1,541,834	1,432,560	352,676	332,631
Aug '21	8,155,135	5,886,691	2,193,720	2,074,186	480,697	455,201
Sept '21	5,825,972	4,294,155	1,544,817	1,481,863	351,671	342,640
Oct '21	7,823,307	5,453,392	2,189,274	2,192,958	479,477	477,901
Nov '21	4,816,404	2,677,846	1,551,168	1,486,833	352,328	346,383
Dec '21	5,794,180	3,552,255	2,204,199	2,031,642	482,900	441,523
Jan '22	2,544,160	1,664,449	1,538,421	1,135,716	349,101	255,644
Feb '22	3,566,451	3,880,232	2,181,884	2,641,965	478,518	593,694
Mar '22	2,097,854	2,285,844	1,533,189	1,539,722	349,685	355,422
Apr '22	3,930,424	4,297,065	2,241,396	2,163,652	483,711	474,297
May '22	3,059,352	2,978,821	1,513,826	1,512,020	351,191	349,379
June '22	6,029,493		2,247,523		493,817	
<b>Total</b>	<b>58,483,080</b>	<b>40,864,366</b>	<b>22,481,251</b>	<b>19,693,118</b>	<b>5,005,772</b>	<b>4,424,715</b>
		<b>69.9%</b>		<b>87.6%</b>		<b>88.4%</b>

Note: Water Billing is on a 2-month lag.

**FY22 Monthly Water Sales  
(incl. Meter Service Charge & Watershed Fee)  
Comparison with FY21 (in \$000's)**



**Note: Water Billing is on a 2-month lag.**

# YTD as of May 2022 Billed Comparison

(in Acre Feet)

Customer Class	FY2021	FY2022	Increase/ (Decrease)
Single Family	13,818	10,111	(3,707)
Duplex	384	307	(77)
Multi Units 3-4	298	252	(46)
Multi Units 5-9	577	497	(80)
Multi Units 10+	1,603	1,447	(156)
Institutional	1,193	1,085	(108)
Commercial & Industrial	1,941	1,927	(14)
Irrigation	1,472	870	(602)
Raw Water	154	81	(73)
Recycled Water	411	309	(102)
<b>Total</b>	<b>21,851</b>	<b>16,886</b>	<b>(4,965)</b>

# TIER CONSUMPTION AS OF MAY (IN ACRE FEET)

■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Tier 4



Note: Water Billing is on a 2-month lag.

## Water Accounts Receivable Aging as of May 2021 and 2022 (in \$1,000)

No. of Days Outstanding	As of May 2021	As of May 2022	Increase/ (Decrease)
<= 30 days	1,032	803	(229)
<= 60 days	398	289	(109)
<= 90 days	345	305	(40)
<= 180 days	807	408	(399)
<= 365 days	1,042	665	(377)
<b>Total</b>	<b>3,624</b>	<b>2,470</b>	<b>(1,154)</b>

# Expenditures

(in millions)

at 91.7% of Fiscal Year

Description	FY 21/22 Adjusted Budget	FY 21/22 As of 5/31/22	Actual to Budget (%)
Personnel Services	53.8	45.9	85.4%
Maintenance & Operating Expense	35.0	30.1	85.7%
Financing Costs	10.2	9.3	91.7%
Capital Allocation	(5.2)	(4.6)	89.8%
<b>Total Operating Expenses</b>	<b>93.8</b>	<b>80.7</b>	<b>86.0%</b>
Fire Flow Projects (inc. encumbrances)	7.7	4.4	57.4%
District Projects (inc. encumbrances)	35.9	29.1	81.1%
<b>Total Expenditures</b>	<b>137.4</b>	<b>114.2</b>	<b>83.1%</b>



# Fund Balances

(in millions)

Description	FY 21 Audited	FY 22 As of 5/31/22
Restricted/Designated Fund	19.9	17.7
Rate Stabilization Fund	9.4	1.9
Pension Reserve Fund	2.0	2.0
Fire Flow Fund	3.1	3.3
Capital Fund	21.1	25.3
<b>Total Restricted/Designated</b>	<b>55.5</b>	<b>50.2</b>
Operating – Unrestricted Fund	32.6	22.8
<b>Total Fund Balance</b>	<b>88.1</b>	<b>73.0</b>

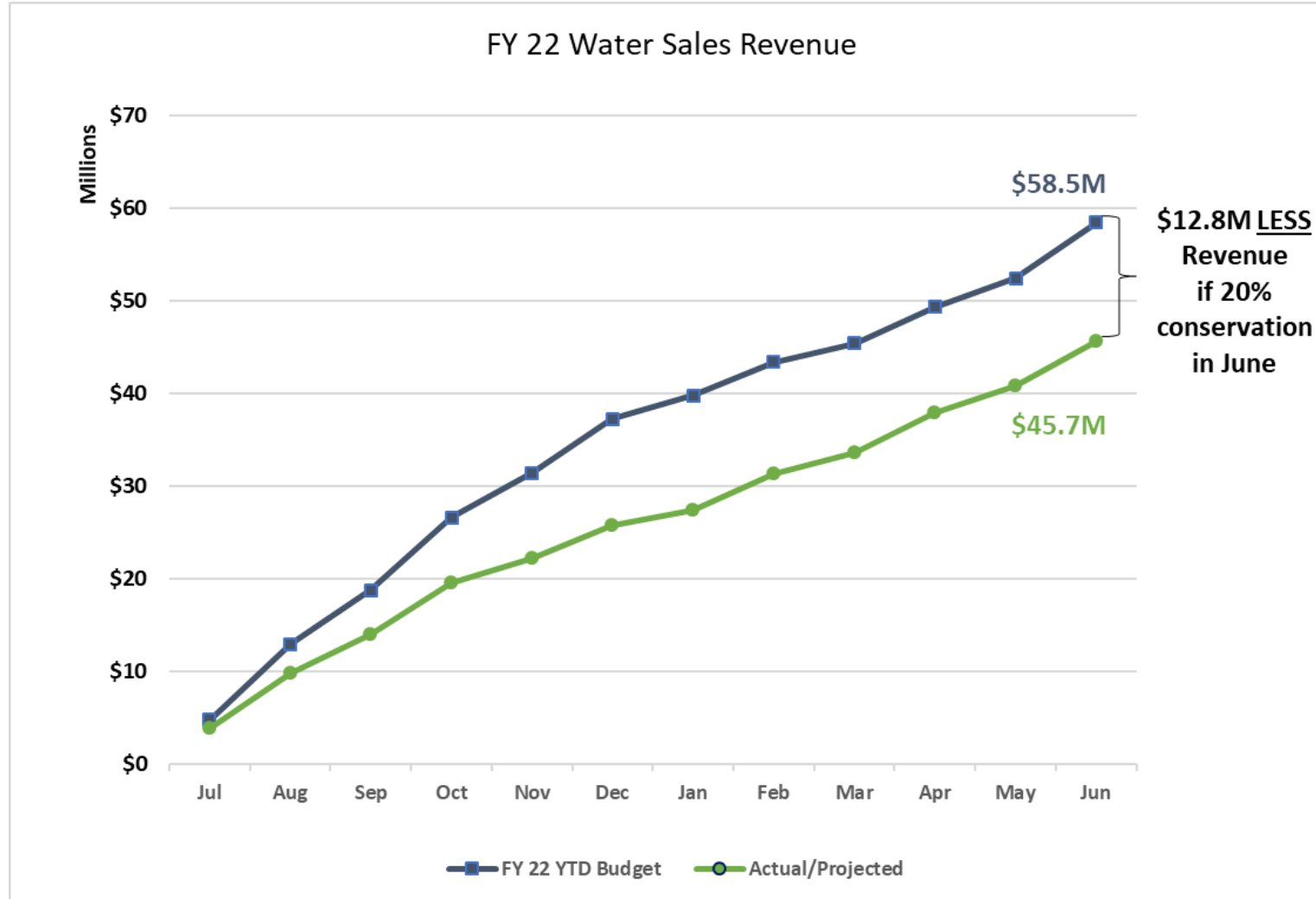
Operating Fund Bal. to Budget in months	3.7	2.9
Debt Service Coverage	2.8	1.4 (Projected)
Outstanding Bond Debt	139.3	139.3
Other Debt	7.1	6.7
<b>Total Debt</b>	<b>146.4</b>	<b>146.0</b>

# **Drought Impacts and Financial Projections**

# FY 22 Water Sales Revenue by Month

Month	21/22 Budget	21/22 YTD Budget	% of Budget	21/22 Actual	21/22 YTD Actual	% of Budget	Diff % of Budget
Jul	4,840,348	4,840,348	8.3%	3,893,617	3,893,617	6.7%	-1.6%
Aug	8,155,135	12,995,483	22.2%	5,886,691	9,780,308	16.7%	-5.5%
Sep	5,825,972	18,821,455	32.2%	4,294,155	14,074,463	24.1%	-8.1%
Oct	7,823,307	26,644,762	45.6%	5,453,392	19,527,855	33.4%	-12.2%
Nov	4,816,404	31,461,166	53.8%	2,677,846	22,205,701	38.0%	-15.8%
Dec	5,794,180	37,255,345	63.7%	3,552,255	25,757,956	44.0%	-19.7%
Jan	2,544,160	39,799,505	68.1%	1,664,449	27,422,405	46.9%	-21.2%
Feb	3,566,451	43,365,956	74.2%	3,880,232	31,302,637	53.5%	-20.6%
Mar	2,097,854	45,463,810	77.7%	2,285,844	33,588,480	57.4%	-20.3%
Apr	3,930,424	49,394,234	84.5%	4,297,065	37,885,545	64.8%	-19.7%
<b>May</b>	<b>3,059,352</b>	<b>\$ 52,453,586</b>	<b>89.7%</b>	<b>2,978,821</b>	<b>\$ 40,864,366</b>	<b>69.9%</b>	<b>-19.8%</b>
Jun	6,029,493	58,483,079	100.0%				
<b>Total Water Sales</b>	<b>\$58,483,079</b>			<b>\$40,864,366</b>			<b>YTD Deficit = \$11.6M</b>

# FY 22 Water Sales Revenue



# FY 22 Operating Expenditures

(in millions)

Description	Adopted Budget	Forecast at 6/30/22	\$ Change from Adopted Budget	Reason
Personnel Services	\$53.8	\$49.8	-\$4.0	Vacancy savings
Water Purchases	8.1	12.1	4.0	Add'l ~3,000 A/F
Water Conservation Rebates	0.6	1.8	1.2	From Rate Stabilization Fund
All other Maintenance & Operations	21.2	21.2	--	
Financing Costs	10.2	10.2	--	
Capital Allocation	(5.2)	(5.2)	--	
<b>Total Operating Expense</b>	<b>\$88.7</b>	<b>\$89.9</b>	<b>\$1.2</b>	

# Projected FY 22 Operating Unrestricted Fund

(in millions)

<b>Beginning Balance @ 6/30/21</b>		<b>\$</b>	<b>32.6</b>
Water Sales Revenue	(12.8)		
COVID Relief Funds	2.1		
All Other Revenue	(0.6)		
<b>Total Projected Revenue Loss</b>		<b>\$</b>	<b>(11.3)</b>
<b>Est. Unbudgeted Expenditures:</b>			
Personnel Savings	4.0		
Add'l Cost of Water Purchased	(4.0)		
Conservation Rebate Program	(1.2)		
<b>Total Projected Expenditures</b>		<b>\$</b>	<b>(1.2)</b>
Transfer-in from Rate Stabilization Fund		<b>\$</b>	<b>1.5</b>
<b>Projected Ending Balance @ 6/30/22</b>		<b>\$</b>	<b>21.6</b>

# Projected FY 23 Scenarios

## Operating Unrestricted Fund

(in millions)

Scenarios:	20% Conservation		10% Conservation	
	1	2	3	4
<b>Est. Beginning Balance @ 6/30/22</b>	\$ 21.6	\$ 21.6	\$ 21.6	\$ 21.6
Projected Water Sales Revenue Loss	\$ (12.2)	\$ (12.2)	\$ (6.1)	\$ (6.1)
<b>Est. Unbudgeted Expenditures:</b>				
Add'l 5,000 AF of Water Purchased	(6.6)		(6.6)	
Pumping of Soulajule	(1.5)		(1.5)	
Add'l Paving costs	(0.3)	(0.3)	(0.3)	(0.3)
<b>Total Additional Expenditures</b>	\$ (8.4)	\$ (0.3)	\$ (8.4)	\$ (0.3)
<b>Projected Ending Balance @ 6/30/23</b>	\$ 1.0	\$ 9.1	\$ 7.1	\$ 15.2

# Summary

- Financial Challenges in FY 22 and continuing into FY 23 will require continued use of one-time reserves
- Economic headwinds will increase operational costs
- Severity of the revenue shortfalls impact is dependent on rainfall and water conservation levels
- District is taking targeted actions to reduce expenditures