



Financial Update

Board of Directors/
Finance & Administration Committee
May 25, 2023



Revenues

at 83.3% of Fiscal Year
(\$ in millions)

Description	FY 22/23 Budget	FY 22/23 As of 4/30/23	Actual to Budget (%)
Water Revenue	89.5	64.6	72.2%
Other Revenue	2.7	4.7	174.5%
Total Operating Revenue	\$92.2	\$69.3	75.2%
Fire Flow Fee	4.5	4.3	96.0%
Capital Revenue (incl. CMF \$18.1M)	18.9	15.3	80.7%
Total Capital Revenue	\$23.4	\$19.6	83.7%
All Revenue	\$115.6 M	\$88.9 M	76.9%

FY 23 Water Sales Revenue by Month

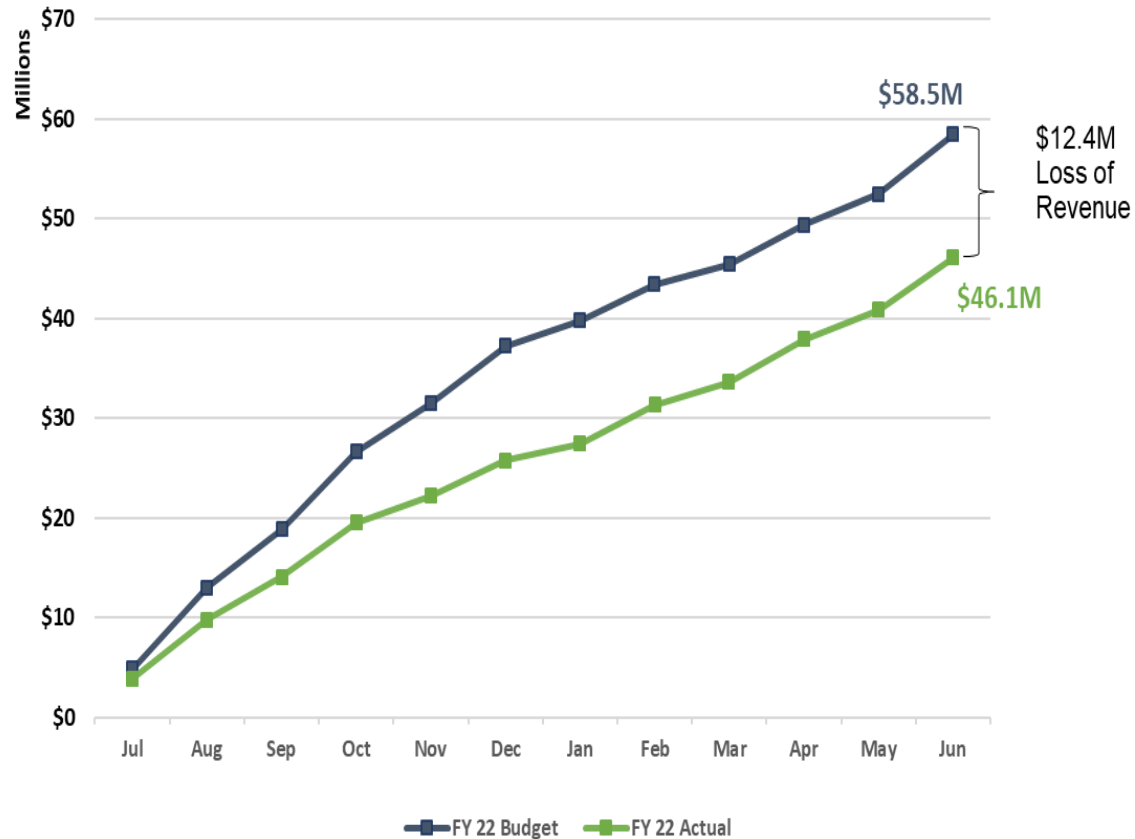
83.3% of Fiscal Year

	<u>Water Sales</u>			<u>Service Charge</u>			<u>Watershed Fee</u>		
	<u>Budget</u>	<u>Actual</u>	<i>Budget to Actual</i>	<u>Budget</u>	<u>Actual</u>	<i>Budget to Actual</i>	<u>Budget</u>	<u>Actual</u>	<i>Budget to Actual</i>
July '22	4,948,239	4,004,486	81%	1,567,487	1,491,919	95%	360,187	347,285	96%
Aug '22	7,946,782	6,238,037	78%	2,249,461	2,022,350	90%	491,912	442,367	90%
Sept '22	5,798,487	5,301,598	91%	1,595,348	1,722,033	108%	364,973	396,510	109%
Oct '22	7,767,333	6,612,557	85%	2,310,632	2,267,637	98%	503,339	494,747	98%
Nov '22	4,666,597	3,463,774	74%	1,601,279	1,552,383	97%	367,296	361,370	98%
Dec '22	5,657,127	4,698,826	83%	2,232,105	2,271,491	102%	485,774	495,259	102%
Jan '23	2,573,704	2,327,071	90%	1,406,899	1,560,906	111%	317,409	362,582	114%
Feb '23	4,131,394	3,454,033	84%	2,546,631	2,257,424	89%	564,332	495,502	88%
Mar '23	2,508,805	1,911,219	76%	1,619,775	1,571,710	97%	370,645	363,153	98%
Apr '23	4,791,568	3,334,097	70%	2,317,075	2,256,275	97%	502,626	492,697	98%
May '23	3,476,035			1,593,827			367,968		
June '23	6,615,188			2,341,461			511,014		
Total	60,881,258	41,345,697		23,381,979	18,974,127		5,207,474	4,251,472	
	<i>% of annual budget:</i>	<i>68%</i>		<i>% of annual budget:</i>	<i>81%</i>		<i>% of annual budget:</i>	<i>82%</i>	
	<i>% of expected actuals:</i>	<i>81%</i>		<i>% of expected actuals:</i>	<i>98%</i>		<i>% of expected actuals:</i>	<i>98%</i>	

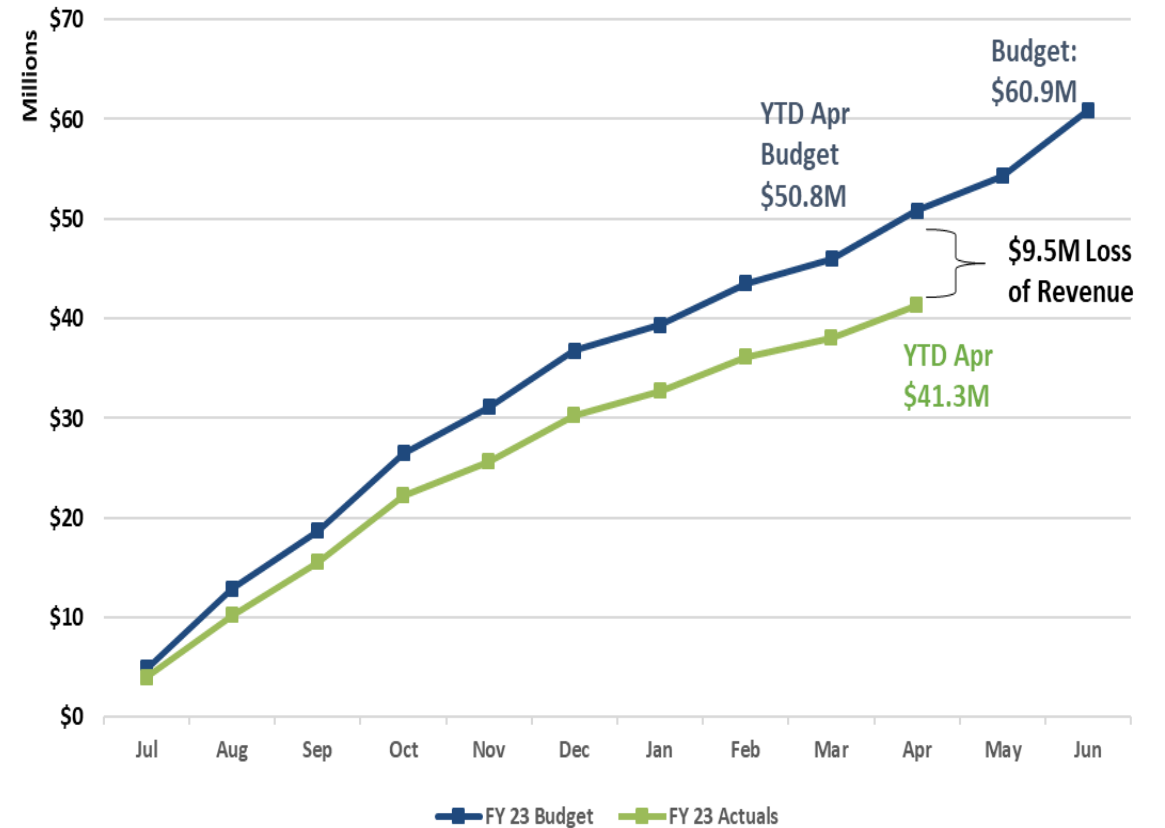
Note: Water Billing is on a 2-month lag.

FY 22 & FY 23 Water Sales Revenue

FY 22 Water Sales

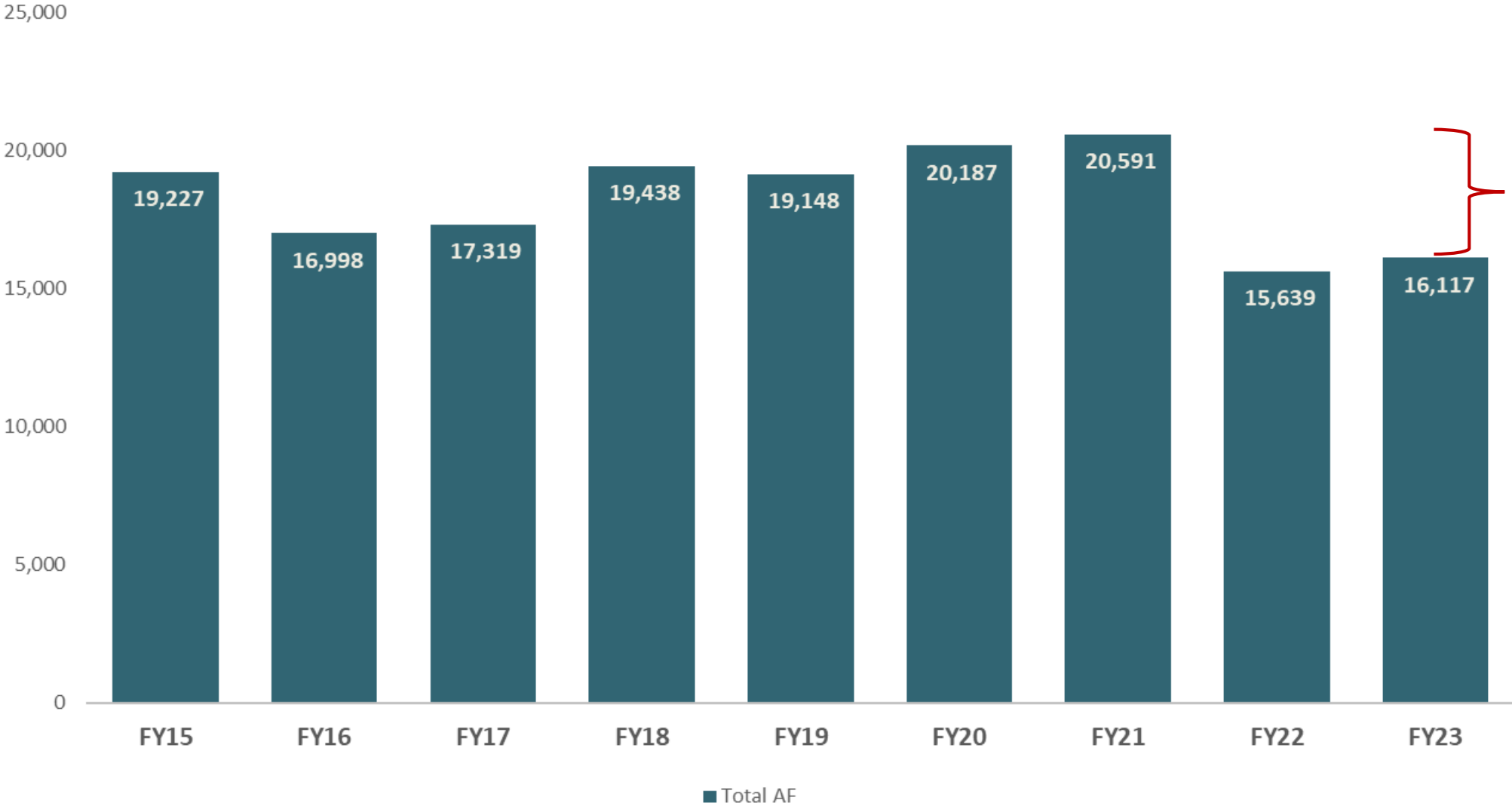


FY 23 Water Sales



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

WATER CONSUMPTION AS OF APRIL (IN ACRE FEET)



22%
Reduction
FY 21 to
FY 23

Expenditures

at 83.3% of Fiscal Year

(\$ in millions)

Description	FY 22/23 Budget	FY 22/23 As of 4/30/23	Actual to Budget (%)
Personnel Services	54.0	40.7	75.4%
Maintenance & Operating Expense	34.1	25.3	74.4%
Financing Costs	9.7	8.1	83.3%
Capital Allocation	(4.7)	(3.3)	70.4%
Total Operating Expenses	\$93.1	\$70.8	76.1%
Fire Flow Projects (inc. encumbrances)	4.6	3.5	76.3%
Capital Projects (inc. encumbrances)	21.3	15.1	71.0%
Total Capital Expenses and Encumbrances	\$25.9	\$18.6	72.0%
Total Expenditures	\$119.0 M	\$89.4 M	75.2%

Projected FY 23 Scenarios

Unrestricted Operating Fund Balance (\$M)

	Reduction in Water Sales	
	20%	15%
Beginning Balance @ 6/30/22	\$ 27.4	\$ 27.4
Projected Water Sales Revenue Loss	\$ (12.2)	\$ (9.1)
Est. Unbudgeted Expenditures:		
Personnel Savings	(4.5)	(4.5)
Add'l AF of Water Purchased	0.0	0.0
Pumping of Soulajule	0.0	0.0
Add'l Paving costs	1.7	1.7
Total Additional Expenditures	\$ (2.8)	\$ (2.8)
Projected Operating Income (Loss)	\$ (9.4)	\$ (6.3)
Projected Ending Balance (unadj.)	\$ 18.0	\$ 21.1
Use of CMF for Debt Service	\$ (8.8)	\$ (8.8)
Projected Ending Balance @ 6/30/23	\$ 26.8	\$ 29.9

Summary

- The District experienced financial challenges in FY 22 and FY 23
 - Variable water sales revenues continue to be below FY 23 budget
 - Requirements to restore pavement following pipeline projects are impacting district reserves
- Winter and Spring rainfall reduced the expected use of Unrestricted Reserves
 - Savings on supplemental water purchases and reservoir pumping
- The District is taking targeted actions to reduce expenditures in the short term