



Unaudited Financials

FOR PERIOD ENDED
AUGUST 31, 2025

Special Meeting *of the* Finance Committee
Agenda Item 3-B
September 11, 2025



Substantive Items

Actuals to Budget

THRESHOLD FOR SIGNIFICANT VARIANCE IS DEFINED AS OVER / UNDER \$25K

Customer Water Sales are **unfavorable** (\$147K) and 3% less than budgeted.

- MTD customer water sales unfavorable (\$195K) and 8% less than budgeted.

Source of Supply-Water Purchases are **favorable** \$279K and 5% less than budgeted.

- COMB and Variable DWR bill timing; Lauro Reservoir Bypass Channel Improvement postponed.

MWD Direct expenses are **favorable** \$274K and 20% less than budgeted.

- Laboratory & Outside Services not yet incurred, salary savings from vacant operator position, electrical bill timing.

MWD Indirect expenses are **favorable** \$372K and 36% less than budgeted.

- Delayed Office Demo Garden, salary savings from vacant Bus Mgr. position, various Administration Dept costs not yet incurred.

Total Capital Contributions are **unfavorable** (\$32K) and 30% less than budgeted.

- Timing of ASADRA reimbursements for Park Lane and Terminal reservoirs.

Total Special Items are **unfavorable** (\$73K) and 100% less than budgeted.

- Timing of FEMA reimbursements associated with Alder Creek Flume and Highline repairs.

Net Capital & Equipment Expenditures are **favorable** \$362K and 65% less than budgeted.

- CIP expenditures mostly on hold pending receipt of FEMA reimbursements or improved cashflow.



Operating Revenue

YTD Total Operating Revenue is unfavorable (\$136K) and 2% less than budgeted.

- Customer Water Sales are unfavorable (\$147K) and 3% less than budgeted.

YEAR TO DATE WATER SALES (\$)				
CLASSIFICATION	YTD ACTUALS	YTD BUDGET	VARIANCE	
			\$	%
Single Family	\$ 3,604,189	\$ 3,758,524	\$ (154,335)	(4%)
Multi Family	\$ 60,074	\$ 75,805	\$ (15,731)	(21%)
Agricultural	\$ 176,060	\$ 166,539	\$ 9,521	6%
Institutional	\$ 423,458	\$ 388,061	\$ 35,397	9%
Commercial	\$ 218,116	\$ 235,710	\$ (17,594)	(7%)
Non-Potable	\$ 28,711	\$ 32,806	\$ (4,095)	(12%)
Annual Total	\$ 4,510,608	\$ 4,657,445	\$ (146,837)	(3%)

- Water Loss Adjustments are favorable \$7K and 45% less than budgeted. (\$9K) processed YTD.



Operating Revenue

MTD Total Operating Revenue is unfavorable (\$193K) and 6% less than budgeted.

- Customer Water Sales are unfavorable (\$195K) and 8% greater than budgeted.

MONTH TO DATE WATER SALES (\$)				
CLASSIFICATION	MTD ACTUALS	MTD BUDGET	VARIANCE	
			\$	%
Single Family	\$ 1,788,847	\$ 1,949,879	\$ (161,032)	(8%)
Multi Family	\$ 33,532	\$ 40,612	\$ (7,080)	(17%)
Agricultural	\$ 86,258	\$ 88,347	\$ (2,089)	(2%)
Institutional	\$ 191,452	\$ 200,102	\$ (8,650)	(4%)
Commercial	\$ 107,231	\$ 124,084	\$ (16,853)	(14%)
Non-Potable	\$ 15,961	\$ 15,203	\$ 758	5%
Monthly Total	\$ 2,223,281	\$ 2,418,227	\$ (194,946)	(8%)

- Water Loss Adjustments are on budget. (\$8K) processed MTD.

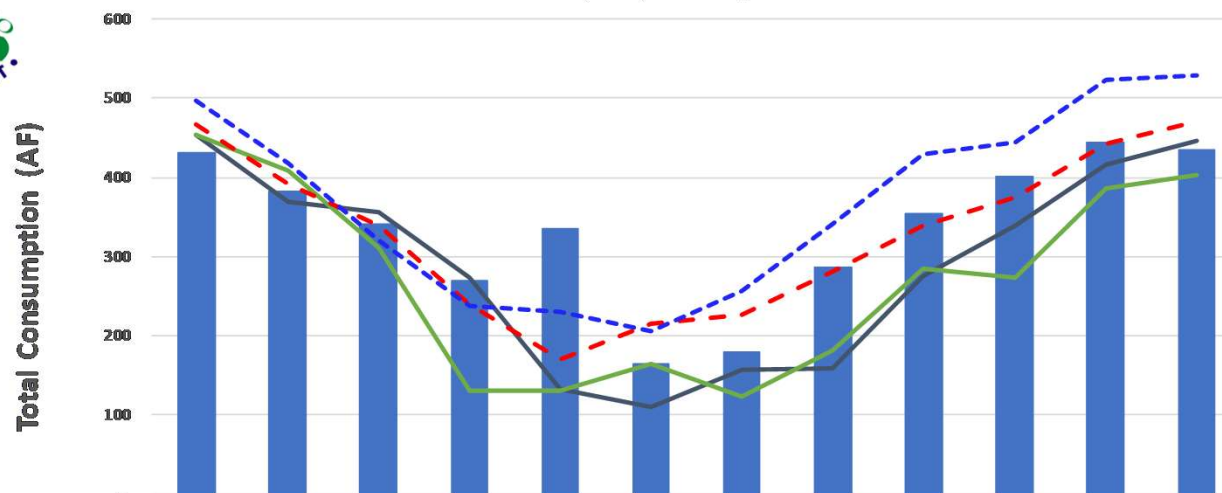
Billed Consumption by Classification

MONTH TO DATE WATER SALES (AF)				
CLASSIFICATION	ACTUAL	BUDGET	VARIANCE	
			AF	%
Single Family	315	347	-32	(9%)
Multi Family	10	11	-1	(10%)
Agricultural	34	35	-1	(2%)
Institutional	35	37	-2	(4%)
Commercial	22	24	-2	(8%)
Non-Potable	17	16	1	5%
Monthly Total	434	471	-36	(8%)

YEAR TO DATE WATER SALES (AF)				
CLASSIFICATION	ACTUAL	BUDGET	VARIANCE	
			AF	%
Single Family	635	673	-38	(6%)
Multi Family	19	21	-2	(11%)
Agricultural	70	66	4	6%
Institutional	78	72	7	9%
Commercial	45	46	-1	(1%)
Non-Potable	31	36	-4	(12%)
Yearly Total	878	913	-35	(4%)



Water Sales (AF) Comparison



	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Trailing 12 Months	432	381	341	269	335	165	180	286	354	400	444	434
Trailing 24 Months	453	370	356	274	132	111	158	159	275	340	415	445
Trailing 36 Months	453	408	310	130	130	164	122	181	285	273	387	404
Budget	466	391	338	239	171	215	227	282	339	375	442	471
SBX7-7	497	418	321	238	231	205	256	341	429	445	523	529

Trailing 12 Month Sales are	4,024	Acre Feet		
Trailing 24 Month Sales are	3,487	Acre Feet	and	(13.3%) LESS Than Trailing 12 Month Sales
Trailing 36 Month Sales are	3,246	Acre Feet	and	(19.3%) LESS Than Trailing 12 Month Sales
Trailing 12 Month Budget is	3,956	Acre Feet	and	(1.7%) LESS Than Trailing 12 Month Sales
SBX7-7 as of 6/30/2020 is	4,433	Acre Feet	and	10.2% MORE Than Trailing 12 Month Sales



Water Supply, Treatment & Distribution

Overall, Total Direct expenses are favorable \$552K and 7% less than budgeted.

- Water Purchases are favorable \$279K and 5% less than budgeted.
 - ▲ Cachuma Lake favorable \$157K.
 - FY 2025-26 Lauro Reservoir Bypass Channel Improvement project postponed from Q1 > Q2.
 - Bradbury SOD, Lauro SOD, Cachuma Project Renewal Fund bill timing; due October 1.
 - ▲ State Water Project favorable \$147K.
 - Variable DWR bill timing.
- MWD Direct Expenses are favorable \$274K and 20% less than budgeted.
 - ▲ Jameson Lake is favorable \$27K.
 - Laboratory Services, Outside Services and Gas Utility costs not yet incurred.
 - ▲ Water Treatment is favorable \$130K.
 - Laboratory Equipment and Outside Services not yet incurred.
 - ▲ Transmission & Distribution is favorable \$117K.
 - Personnel Expenses favorable due to salary savings from vacant operator position.
 - Electrical Utilities favorable due to bill timing.



Indirect Expenditures

Total Indirect expenses are favorable \$372K and 36% less than budgeted.

- Conservation favorable \$69K and 68% less than budgeted.
 - ▲ Outside Services favorable due to delayed Office Demo Garden work.
- Engineering favorable \$63K and 30% less than budgeted.
 - ▲ Outside Services costs not yet incurred.
- Administration favorable \$198K and 44% less than budgeted.
 - ▲ Personnel Expenses favorable due to salary savings from vacant Business Manager position.
 - ▲ Admin Building Maintenance, Audit Expenses, Outside Services, Network IT services, Telephone services, Computer Supplies and General Liability Insurance favorable due to bill timing and costs not yet incurred.



Non-Operating Activity

Non-operating income/(loss) is on budget.



Capital Contributions & Special Items

Total Capital Contributions are unfavorable (\$32K) and 30% less than budgeted.

- Capital cost recovery fees and Connection fees on budget.
- Capital Grants & Other Reimbursements unfavorable due to timing of ASADRA reimbursements associated with Park Lane and Terminal reservoirs.

Total Special Items are unfavorable (\$73K) and 100% less than budgeted.

- Variance driven by timing of FEMA reimbursements associated with Alder Creek Flume and Highline repairs.

Debt Service



Debt Service is on budget – no activity recorded in August.



Net Capital & Equipment Expenditures

The Net Capital & Equipment Budget is favorable \$362K and 65% less than budgeted.

- Vehicles & Equipment unfavorable (\$145K).
 - Service trucks (x2) and Backhoe Breaker Hammer delivered ahead of schedule but within approved budget.
- Capital Improvement Program favorable \$506K.
 - CIP expenditures remain mostly on hold pending receipt of FEMA reimbursements associated with 2023 Juncal Pipeline Repair Project or improved cashflow outlook.

YTD Fund Transfers



No transfers recorded in August.

MWD Cash Impact



YTD CASH IMPACT is FAVORABLE \$1M.

	FY 25-26 YTD ACTUAL	FY 25-26 YTD BUDGET	FAVORABLE (UNFAVORABLE)	% OF YTD BUDGET	FY 25-26 ADOPTED BUDGET
Total OutFlows less Non-Cash Activity	(7,764,125)	(9,044,753)	1,280,628	-14%	(40,380,724)
Total Revenues	5,824,151	6,072,486	(248,335)	-4%	36,817,966
Cash Impact before Net Transfers	(1,939,974)	(2,972,267)	1,032,293	-35%	(3,562,758)
Transfers In				n/a	3,562,758
Transfers Out				n/a	-
MWD CASH IMPACT	(1,939,974)	(2,972,266)	1,032,292	-35%	-

Primary Reasons:

- (\$248K) unfavorable Revenues which are 4% less than YTD budget.
 - (\$105K) unfavorable ASADRA & FEMA reimbursements.
 - (\$147K) unfavorable Customer Water Sales.

- \$1.3M favorable Outflows which are 14% less than YTD Budget.
 - \$552K favorable Direct Expenses.
 - \$372K favorable Indirect Expenses.
 - \$362K deferred CIP expenditures.



Revenue Risks & Opportunities

Risks:

- Water Sales continue to trend below budget.

Opportunities:

- FEMA Reimbursement for January 9-10, 2023, storm damages, as summarized below:

PROJECT	STATUS	COST	FEMA REIMB \$
F24 Juncal Pipeline Repair	Completed & Approved. Reimbursement request submitted Jan 2025; 93.75% of costs eligible for reimbursement.	5,456,143.01	5,115,134.07
F25 Highline Repair at BV	\$3.15M advance received 9/25/24. Design work underway. 93.75% of costs eligible for reimbursement.	4,500,000.00	4,218,750.00
		9,956,143.01	9,333,884.07

- FEMA approved 2018 Direct Administrative Cost (DAC) reimbursement of \$412K pending completion of Alder Flume.



Expenditure Risks & Opportunities

Risks:

- Continued inflation related to Direct and Indirect Expenses: i.e., fuel, labor, and materials.
- Increases in Water Supply Agreement (Desal) variable costs and pay-go capital.
- Increases in construction costs for Capital Improvement Projects (CIP), i.e., pipeline replacements, and reservoir retrofits/replacements.
- Denial of required permit(s) from regulatory agencies resulting in required payback of FEMA funding for the Alder Creek Flume Repair Project (approx. \$350K to-date).

Opportunities:

- None identified.

Net Position



<u>Assets</u>	YEAR-TO DATE
Cash and Investments:	MONTH ENDING 8/31/2025
Funds Analysis	
Restricted Funds	
CCWA Rate Coverage Reserve	1,524,210
WSA Debt Service Coverage Deposit	80,278
WSA Debt Service Reserve Deposit	1,086,624
FEMA Advance for Highline Repair Project	3,151,622
Thomas Fire/Debris Flow CalOES/FEMA Holdback	1,514,874
Total Restricted Funds	7,357,609
Board Committed Funds	
Rate Stabilization Fund	5,973,566
Operating Reserve	3,682,330
Capital and Emergency Reserve	500,000
SWP Prefunding Reserve	372,141
Total Committed Funds	10,528,037
Total Restricted, Committed and Assigned Funds	17,885,645
Total Unassigned Funds	-
Total Funds	17,885,645
Smart Rebates Program Funding	15,699
Semitropic Shares	1,924,510
Other Investments	1,940,209
Total Cash and Investments	19,825,854

Comments/Questions