MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **3-B**

DATE: **AUGUST 18, 2026**

TO: **FINANCE COMMITTEE**

FROM: **BUSINESS MANAGER**

SUBJECT: **UNAUDITED FINANCIAL REPORT AS OF JULY 31, 2026**

RECOMMENDATION:

For information and discussion only.

BACKGROUND:

The purpose of this memorandum is to provide the Board of Directors with a comprehensive review of the District's unaudited financial position and operating results on a year-to-date basis as of July 31, 2026. This information is intended to support the Board's oversight responsibilities by facilitating review of budgetary performance, overall financial condition, operational trends, and compliance with applicable accounting and financial reporting requirements.

Regular review of unaudited financial information enables the Board to monitor fiscal performance throughout the year, assess progress toward adopted budget and policy objectives, and identify emerging issues or trends that may require management attention or Board direction.

REGULATORY AND REPORTING REQUIREMENTS

The District's financial reports are prepared in accordance with Generally Accepted Accounting Principles (GAAP) for governmental entities. The Governmental Accounting Standards Board (GASB) serves as the authoritative standard-setting body for establishing accounting and financial reporting principles applicable to state and local governments.

Preparation of these reports in conformity with GASB and GAAP requirements promotes transparency, consistency, and comparability of financial information. Timely and accurate financial reporting supports sound fiscal management, including monitoring liquidity and financial flexibility, evaluating compliance with adopted financial policies, identifying material variances or emerging trends, and ensuring the District's ongoing ability to meet its financial obligations.

OVERVIEW OF INFORMATION PROVIDED

The monthly financial package presents year-to-date unaudited financial information, comparing actual results to the adopted budget, along with key operational and financial indicators. This comparative analysis supports early identification of material variances, trends, or potential financial impacts that may warrant further analysis, corrective action, or Board consideration.

The information is typically first reviewed by the Finance Committee and subsequently presented to the Board of Directors for discussion and any appropriate direction or action.

JULY 2026 FINANCIAL REPORTING

- **Unaudited Financial Report (YTD):** Compare actual results to budget and summarize assets, liabilities, and net position to assess financial health.

BOARD OVERSIGHT AND DECISION-MAKING

These reports provide a clear, timely view of the District's financial condition and performance, supporting informed decision-making, accountability, and long-term sustainability.

ATTACHMENTS

1. Unaudited Financial Report as of July 31, 2026
2. Water Sales Analysis, including supporting tables and graphical dashboards, for July 2026

FINANCE COMMITTEE

UNAUDITED FINANCIAL REPORT

as of

July 31, 2026

FINANCE COMMITTEE MEETING

August 18, 2026

Budget Variance Report

For Fiscal: 2027 Period Ending: 07/31/2026

	BUDGETED JULY	ACTUAL JULY	VARIANCE	TOTAL BUDGET LESS ACTIVITY	TOTAL ANNUAL BUDGET	% BUDGET REMAINING
REVENUE SUMMARY						
Water Sales Revenue	3,512,133	3,765,070	252,937	(24,126,348)	27,891,418	87%
Other Operating Revenue	56,037	39,476	(16,561)	(633,225)	672,701	94%
Non-Operating Revenue	33,080	31,486	(1,594)	(818,514)	850,000	96%
TOTAL REVENUE	**3,601,250**	**3,836,032**	**234,782**	**(25,578,087)**	**29,414,119**	**87%**
Transfer In: GSA Cost Share					427,758	100%
GRAND TOTAL REVENUE					**29,841,877**	
EXPENSE SUMMARY						
Water Purchases	5,630,262	5,480,159	150,102	(9,759,137)	15,239,296	64%
Jameson Lake	107,808	89,893	17,915	(335,347)	425,241	79%
Treatment Operations	456,701	412,124	44,577	(2,172,427)	2,584,552	84%
Transmission/Distribution	497,961	462,022	35,940	(2,005,778)	2,467,800	81%
Customer Service	62,682	48,858	13,824	(631,715)	680,573	93%
Fleet	69,341	62,749	6,592	(266,218)	328,967	81%
Engineering	91,956	66,928	25,028	(1,487,159)	1,554,087	96%
Administration	135,450	120,414	15,036	(3,099,456)	3,219,870	96%
Board Administration	1,676	1,291	385	(54,504)	55,795	98%
Conservation	21,428	14,502	6,926	(250,333)	264,835	95%
Public Information	33,083	16,244	16,839	(251,941)	268,185	94%
TOTAL EXPENSE	**7,108,348**	**6,775,184**	**333,164**	**(20,314,016)**	**27,089,200**	**75%**
REVENUE OVER/(UNDER) EXPENDITURE	**(3,507,098)**	**(2,939,152)**	**567,946**	**(5,264,071)**	**2,752,677**	

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 07/31/2026

Revenue	BUDGETED JULY	ACTUAL JULY	$ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
	CURRENT MONTH			ANNUAL BUDGET	
41 - WATER SALES REVENUE					
Water Sales - Single Family	1,889,203	2,046,246	157,044	87%	16,291,272
Water Sales - Multi Family	32,097	30,921	(1,175)	90%	301,507
Water Sales - Commercial	118,450	135,227	16,777	89%	1,246,243
Water Sales - Institu / Public	217,672	288,441	70,769	83%	1,651,154
Water Sales - Agricultural	84,560	100,576	16,016	86%	726,514
Water Sales - Non Potable	16,954	7,135	(9,819)	94%	122,474
Water Sales - Const/Other Consumpt	4,043	5,159	1,116	89%	45,322
Water Sales - Surplus SWP Sales	571,428	571,428	-	0%	571,428
Water Sales - Monthly Meter Charges	577,727	579,937	2,210	92%	6,935,504
Total 41 - WATER SALES REVENUE	**3,512,133**	**3,765,070**	**252,937**	**87%**	**27,891,418**
42 - OTHER OPERATING REVENUE					
Late Charges	2,183	4,378	2,195	83%	26,200
DrTag/Cutoff/On/Rtn Chk/AftHr	1,234	1,308	74	91%	14,817
Private Fire Line Srv Charge	29,295	28,148	(1,148)	92%	351,684
CWSA/Hydrant Flow Test Fees	4,998	5,528	530	91%	60,000
Service Connection Fees	4,998	115	(4,883)	100%	60,000
Capital Cost Recovery Fees	13,328	-	(13,328)	100%	160,000
Total 42 - OTHER OPERATING REVENUE	**56,037**	**39,476**	**(16,561)**	**94%**	**672,701**
43 - NON-OPERATING REVENUE					
Rent Revenue	8,090	2,204	(5,887)	98%	100,000
Interest Revenue	24,990	29,237	4,247	90%	300,000
Water Avail Chg - Revenue	-	-	-	100%	300,000
Reimbursements	-	46	46	100%	150,000
Total 43 - NON-OPERATING REVENUE	**33,080**	**31,486**	**(1,594)**	**96%**	**850,000**
Total Revenue	**3,601,250**	**3,836,032**	**234,782**	**87%**	**29,414,119**
Transfer In: Fund 02 GSA Cost Share					*427,758*
Grand Total Revenue					**29,841,877**

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 07/31/2026

Expense	CURRENT MONTH BUDGETED JULY	CURRENT MONTH ACTUAL JULY	$ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
Department: 500 - Water Purchases					
USBR - Cachuma	-	-	-	100%	247,440
SWP CCWA Fixed	1,020,737	1,020,737	(0)	0%	1,020,737
SWP DWR Fixed	3,630,278	3,630,279	(1)	0%	3,630,278
CCRB Cachuma	40,546	40,546	0	75%	162,185
COMB Cachuma	276,954	204,776	72,178	78%	948,025
CATER Treatment Operations	-	-	-	100%	879,590
CATER Capital Costs	10,669	-	10,669	100%	128,030
DWR Variable Costs	-	-	-	100%	380,085
DESAL Plant Capital Charge	193,633	193,633	(0)	92%	2,323,594
DESAL Fixed O&M Charge (IDE)	204,013	204,013	0	92%	2,448,160
DESAL Fixed O&M Charge (City)	24,138	24,138	0	92%	289,661
DESAL Variable O&M Charge	103,723	103,723	(0)	92%	1,244,672
DESAL Administrative Charge	35,370	35,370	0	92%	424,441
DESAL Water Supply Develop Fee	22,944	22,944	-	92%	275,328
DESAL Plant Capital Maint(Paygo)	67,256	-	67,256	100%	807,069
Semitropic Banking/Recovery	-	-	-	100%	30,000
Total Department: 500 - Water Purchases	**5,630,262**	**5,480,159**	**150,102**	**64%**	**15,239,296**
Department: 511 - Jameson Lake					
PAYROLL/PERSONNEL	10,438	11,723	(1,285)	93%	163,741
TRAINING & TRAVEL	-	-	-	100%	2,593
MATERIAL & SUPPLIES	1,000	840	160	93%	12,000
CONTRACTUAL SERVICES	16,370	209	16,161	100%	166,907
OTHER OPERATING EXPENSES	80,000	77,121	2,879	4%	80,000
Total Department: 511 - Jameson Lake	**107,808**	**89,893**	**17,915**	**79%**	**425,241**
Department: 531 - Treatment Operations					
PAYROLL/PERSONNEL	416,765	396,434	20,331	76%	1,651,952
TRAINING & TRAVEL	105	123	(18)	99%	11,451
MATERIAL & SUPPLIES	7,543	55	7,488	100%	320,200
CONTRACTUAL SERVICES	32,288	15,511	16,777	97%	600,949
Total Department: 531 - Treatment Operations	**456,701**	**412,124**	**44,577**	**84%**	**2,584,552**
Department: 541 - Transmission/Distribution					
PAYROLL/PERSONNEL	445,261	429,882	15,379	77%	1,905,200
TRAINING & TRAVEL	200	-	200	100%	12,650
MATERIAL & SUPPLIES	9,700	2,171	7,529	98%	116,400
CONTRACTUAL SERVICES	42,800	29,673	13,127	93%	433,550
Total Department: 541 Transmission/Distribution	**497,961**	**462,022**	**35,940**	**81%**	**2,467,800**

Expense	CURRENT MONTH BUDGETED JULY	ACTUAL JULY	$ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	TOTAL BUDGET
Department: 550 - Customer Service					
PAYROLL/PERSONNEL	40,922	36,266	4,656	91%	408,373
TRAINING & TRAVEL	-	-	-	100%	6,000
MATERIAL & SUPPLIES	202	72	130	98%	4,000
CONTRACTUAL SERVICES	21,558	12,520	9,038	95%	262,200
Total Department: 550 - Customer Service	**62,682**	**48,858**	**13,824**	**93%**	**680,573**
Department: 561 - Fleet					
PAYROLL/PERSONNEL	61,121	59,779	1,341	74%	230,167
TRAINING & TRAVEL	-	-	-	100%	1,100
MATERIAL & SUPPLIES	7,750	2,970	4,780	97%	93,000
CONTRACTUAL SERVICES	470	-	470	100%	4,700
Total Department: 561 - Fleet	**69,341**	**62,749**	**6,592**	**81%**	**328,967**
Department: 563 - Engineering					
PAYROLL/PERSONNEL	55,706	50,293	5,413	93%	758,987
TRAINING & TRAVEL	1,000	-	1,000	100%	4,800
MATERIAL & SUPPLIES	2,500	2,791	(291)	96%	67,900
CONTRACTUAL SERVICES	32,750	13,508	19,242	98%	722,400
Total Department: 563 - Engineering	**91,956**	**66,928**	**25,028**	**96%**	**1,554,087**
Department: 565 - Administration					
PAYROLL/PERSONNEL	92,744	82,919	9,825	94%	1,283,960
TRAINING & TRAVEL	-	-	-	100%	13,000
MATERIAL & SUPPLIES	6,489	5,140	1,349	97%	162,900
CONTRACTUAL SERVICES	33,703	31,915	1,788	98%	1,576,610
OTHER OPERATING EXPENSES	2,515	440	2,074	100%	183,400
Total Department: 565 - Administration	**135,450**	**120,414**	**15,036**	**96%**	**3,219,870**
Department: 566 - Board Administration					
PAYROLL/PERSONNEL	176	108	69	100%	34,516
TRAINING & TRAVEL	300	-	300	100%	18,279
OTHER OPERATING EXPENSES	1,200	1,183	17	61%	3,000
Total Department: 566 - Board Administration	**1,676**	**1,291**	**385**	**98%**	**55,795**

Expense	CURRENT MONTH			ANNUAL BUDGET	
	BUDGETED JULY	ACTUAL JULY	$ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
Department: 568 - Conservation					
PAYROLL/PERSONNEL	14,833	14,502	331	92%	171,035
TRAINING & TRAVEL	-	-	-	100%	3,000
MATERIAL & SUPPLIES	50	-	50	100%	600
CONTRACTUAL SERVICES	2,045	-	2,045	100%	74,200
OTHER OPERATING EXPENSES	4,500	-	4,500	100%	16,000
Total Department: 568 - Conservation	**21,428**	**14,502**	**6,926**	**95%**	**264,835**
Department: 568 - Public Information					
PAYROLL/PERSONNEL	18,918	15,685	3,233	92%	192,785
TRAINING & TRAVEL	-	-	-	100%	2,999
MATERIAL & SUPPLIES	-	-	-	100%	13,400
CONTRACTUAL SERVICES	14,165	559	13,606	99%	59,001
Total Department: 568 - Public Information	**33,083**	**16,244**	**16,839**	**94%**	**268,185**
Total Expense	**7,108,348**	**6,775,184**	**333,164**	**75%**	**27,089,200**

MONTECITO WATER DISTRICT

Capital Program — Year-to-Date Activity

Fiscal Year 2027 | July 1, 2026 through July 31, 2026

Capital Funding Sources	Budget	YTD Expenditures	% By Source
ASADRA Financing Proceeds	11,559,797	34,905	22%
FEMA Reimbursements	4,380,000	14,901	9%
RESERVES	6,385,000	111,200	69%
Capital Funding Sources - Total	**22,324,797**	**161,006**	**100%**

Capital Projects & Purchases by Program Area

Proj / Asset #	Project / Description	Budget	YTD Expenditures	% of Program
Vehicles & Equipment		**275,000**		
F031	Distribution Service Truck	50,000	44,813	
F032	Distribution Service Truck	75,000	66,387	
F033	Treatment Standby Truck	50,000	-	
F034	Conservation Utility Truck	50,000	-	
F035	Engineering Utility Truck	50,000	-	
Vehicles & Equipment — Subtotal			**111,200**	**69%**
Pipelines		**4,540,000**		
P099	Highline Water Main Replacement (Design)	150,000	-	
P115	E. Valley, Ladera, Lambert Water Main Replacement	3,780,000	-	
P142	US101 Piping Installation at Danielson & Miramar	460,000	-	
P152	Fire Hydrant Replacement Project	150,000	-	
Pipelines — Subtotal			**-**	**0%**
Reservoirs		**11,559,797**		
P132	ASADRA Park Lane Reservoir	4,754,750	34,704	
P133	ASADRA Terminal Reservoir	3,585,047	201	
P134	ASADRA Bella Vista Reservoir	3,220,000	-	
Reservoirs — Subtotal			**34,905**	**22%**
Pumping / Wells / Valves / Treatment Plant		**1,570,000**		
P153	Ortega PS Backup Generator Replacement	180,000	-	
P154	Bella Vista & Doulton Treatment Plant Acid Addition	900,000	-	
P155	Bella Vista Reservoir Blower Upgrades	60,000	-	
P156	Doulton Treatment Plant Softening System	90,000	-	
P157	Coyote Road Pressure Regulator Installation	90,000	-	
P158	Pressure Regulator Vault Upgrades	200,000	-	
P159	Doulton Treatment Plant Roof Addition	50,000	-	
Pumping / Wells / Valves / Treatment Plant - Subtotal			**-**	**0%**
Extraordinary Projects		**4,380,000**		
A1	Alder Creek Flume Reconstruction	3,100,000	10,747	
F025	Highline Pipeline Repair — Jan 2023 Storm	1,280,000	4,154	
Extraordinary Projects - Subtotal			**14,901**	**9%**
Total Year-to-Date CIP Expenditures		**22,324,797**	**161,006**	**100%**

MONTECITO WATER DISTRICT

Finance Committee — Budget Variance Notes

FY 2027 — July, Period Ending July 31, 2026

Reporting Period	FY 2027 Month 1 — July, Period Ending July 31, 2026
Reporting Threshold	Variances of $25,000 or greater
Basis	Budgetary basis, unaudited
Fiscal Year Elapsed	1 of 12 months (8.3%)
Source	Budget Variance Report and Monthly Budget Report account-level detail, Fiscal 2027 Period Ending 07/31/2026; Project Activity Report
Prepared by	Emma Godinez, Business Manager

SUMMARY OF RESULTS

Current Month — July

	Budget	Actual	Variance
Total Revenue	$3,601,250	$3,836,032	$234,782
Total Expense	$7,108,348	$6,775,184	$333,164
Revenue Over/(Under) Expenditure	**($3,507,098)**	**($2,939,152)**	**$567,946**

Overview

In July the District collected $3.84 million and paid out $6.78 million, finishing the month $2.94 million below break-even. That result is planned, not a shortfall. July is the month the District pays its two largest fixed annual obligations, and the revenue that offsets them arrives across the remaining eleven months.

Revenue is ahead of plan. The District collected $234,782 more than the July plan, a 6.5 percent favorable result, driven almost entirely by water sales during a mid-month regional heat wave. Residential and institutional customers used more water than the monthly allocation assumed.

Spending is under plan. Total July expenses came in $333,164 below the monthly plan, a 4.7 percent favorable result.

Year-to-Date Against Annual Budget

	Annual Budget	July Actual	% Used
Total Revenue	$29,841,877	$3,836,032	12.9%
Total Expense	$27,089,200	$6,775,184	25.0%
Revenue Over/(Under) Expenditure	**$2,752,677**	**($2,939,152)**	**—**
Total Expense excluding SWP fixed and CalPERS UAAL	**$21,754,152**	**$1,463,064**	**6.7%**

Favorable variances are shown as positive; unfavorable variances are shown in parentheses. Only variances of $25,000 or greater, favorable or unfavorable, are reported below.

REVENUE VARIANCES AT OR ABOVE $25,000

41 — Water Sales Revenue

Budget $3,512,133 | Actual $3,765,070 | Variance $252,937 favorable

Account	Budget	Actual	Variance
4110 Single Family	$1,889,203	$2,046,246	$157,044
4113 Institutional / Public	$217,672	$288,441	$70,769
All other water sales accounts — none at threshold	$1,405,258	$1,430,383	$25,125
Total 41 — Water Sales Revenue	**$3,512,133**	**$3,765,070**	**$252,937**

Single Family $157,044 favorable — Residential volumetric sales finished 8.3% above the July allocation, the result of a regional heat wave mid-month that pushed daily temperatures well above average. Year-to-date single-family revenue is $2,046,246, or 12.6% of the $16,291,272 annual appropriation.

Institutional / Public $70,769 favorable — The class billed 32.5% above the July allocation and stands at 17.5% of its $1,651,154 annual appropriation after one month.

No variance at or above $25,000 was recorded in 42 — Other Operating Revenue (unfavorable $16,561) or 43 — Non-Operating Revenue (unfavorable $1,594).

EXPENSE VARIANCES AT OR ABOVE $25,000, BY DEPARTMENT

Department 500 — Water Purchases

Budget $5,630,262 | Actual $5,480,159 | Variance $150,102 favorable

Account	Budget	Actual	Variance
COMB Cachuma	$276,954	$204,776	$72,178
DESAL Plant Capital Maint (Paygo)	$67,256	$0	$67,256
All other Department 500 accounts — none at threshold	$5,286,052	$5,275,383	$10,668
Total Department 500	**$5,630,262**	**$5,480,159**	**$150,102**

COMB Cachuma $72,178 favorable — The Cachuma Operation and Maintenance Board assessment posted $204,776 against a July allocation of $276,954, or 74% of plan. The first-quarter invoice included a credit adjustment for the cost of the Lauro Reservoir Bypass Channel Improvement Project. That project and its corresponding assessment have been postponed pending a notice of funding approval from FEMA.

DESAL Plant Capital Maintenance (Paygo) $67,256 favorable — The pay-go capital maintenance charge was allocated $67,256 in July and nothing was invoiced; 100% of the $807,069 annual appropriation remains.

CAPITAL PROGRAM — YEAR-TO-DATE ACTIVITY

Adopted FY 2027 gross CIP $22,324,797 | July expenditures $161,006 | 0.7% of program

Funding Sources

Source	FY 2027 Budget	July Expenditures	% of July
Rate Revenue & Water Availability Charge	$6,385,000	$111,200	69%

ASADRA Financing Proceeds	$11,559,797	$34,905	22%
FEMA Reimbursements	$4,380,000	$14,901	9%
Total Capital Funding Sources	**$22,324,797**	**$161,006**	**100%**

Funding source assignment: the three ASADRA reservoir projects (P132, P133, P134) are assigned to ASADRA financing proceeds; the Alder Creek Flume Reconstruction and Highline Pipeline Repair (January 2023 storm) are assigned to FEMA Extraordinary Projects; all remaining projects are rate revenue funded.

Program Areas

Program Area	FY 2027 Budget	July Expenditures	% of Budget
Reservoirs	$11,559,797	$34,905	0.3%
Pipelines	$4,540,000	$0	0.0%
Extraordinary Projects	$4,380,000	$14,901	0.3%
Pumping / Wells / Valves / Treatment Plant	$1,570,000	$0	0.0%
Vehicles & Equipment	$275,000	$111,200	40.4%
Total Year-to-Date CIP Expenditures	**$22,324,797**	**$161,006**	**0.7%**

Projects with July Activity

Project	FY 2027 Budget	July Expenditures	% of Budget
F032 Distribution Service Truck	$75,000	$66,387	88.5%
F031 Distribution Service Truck	$50,000	$44,813	89.6%
P132 ASADRA Park Lane Reservoir	$4,754,750	$34,704	0.7%
A1 Alder Creek Flume Reconstruction	$3,100,000	$10,747	0.3%
F025 Highline Pipeline Repair (Jan 2023 Storm)	$1,280,000	$4,154	0.3%
P133 ASADRA Terminal Reservoir	$3,585,047	$201	0.0%
Total Projects with July Activity	**—**	**$161,006**	**—**

Both service trucks were ordered and delivered in July under a single procurement, which is why two vehicle purchases post in month one against a $275,000 annual vehicle appropriation. Neither unit exceeds its project budget.

STATEMENT OF NET POSITION — JULY 31, 2026

Total net position $59,920,991 | Unaudited interim

As of July 31, 2026 the District held $91,211,255 in assets and deferred outflows and owed $31,290,264 in liabilities and deferred inflows, leaving a net position of $59,920,991. These figures are interim and unaudited; audited statements for FY 2027 will be issued following fiscal year end.

Condensed Statement of Net Position

	July 31, 2026
Total current assets	$19,643,017
Total noncurrent assets	$69,226,058
Total assets	**$88,869,074**
Total deferred outflows of resources	$2,342,180

Total assets and deferred outflows	**$91,211,255**
Total current liabilities	$5,137,243
Total noncurrent liabilities	$25,291,431
Total liabilities	**$30,428,674**
Total deferred inflows of resources	$861,590
Total liabilities and deferred inflows	**$31,290,264**
Total Net Position	**$59,920,991**

Composition of Net Position

Component	July 31, 2026
Net investment in capital assets	$50,006,185
Unrestricted	$9,914,805
Total Net Position	**$59,920,991**

BOARD-DESIGNATED RESERVES — JULY 31, 2026

Unrestricted	July 31, 2026
Rate Stabilization Fund	$2,300,000
Operating Reserve	$3,800,000
Capital and Emergency Reserve	$500,000
SWP Prefunding Reserve	$387,585
Total Unrestricted	**$6,987,585**
Restricted (held by District)	
F025 Highline Repair FEMA advance	$2,831,374
CalOES holdback disbursements	$157,977
Total Restricted (held by District)	**$2,989,351**
Total Board-Designated Reserves	**$9,976,936**

These balances are taken directly from the Board-Designated Reserves schedule of the interim Statement of Net Position at July 31, 2026. Unrestricted balances are the four reserve targets designated by the Board under District reserve policy.

MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION
July 31, 2026 (Unaudited - Interim)

	Total District
ASSETS	
Current assets:	
Cash and cash equivalents	2,398,921
Investments	2,773,911
Restricted cash and investments	7,444,102
Accounts receivable, net	3,319,930
Due from SWRCB - ASADRA	2,707,539
Inventory	998,614
Prepaid items	0
Total current assets	**19,643,017**
Noncurrent assets:	
Restricted and designated investments	5,561,385
Lease receivable	204,424
Capital assets not being depreciated	12,504,865
Capital assets being depreciated, at cost	87,010,766
Less: accumulated depreciation and amortization	(36,055,382)
Total noncurrent assets	**69,226,058**
TOTAL ASSETS	**88,869,074**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - OPEB	342,275
Deferred outflows - pension	1,999,905
Total deferred outflows of resources	**2,342,180**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**91,211,255**
LIABILITIES	
Current liabilities:	
Accounts payable	1,741,214
Accrued liabilities	(35,912)
Customer credits and unapplied funds	217,059
Deposits payable	78,385
Due to other funds	(15,125)
Advances for construction	3,151,622
Current portion of long-term debt	-
Current portion of compensated absences	-
Total current liabilities	**5,137,243**
Noncurrent liabilities:	
Compensated absences, net of current portion	866,554
Lease liability	3,087
Long-term debt, net of current portion	15,688,484
Net OPEB liability	1,998,290

MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION
July 31, 2026 (Unaudited - Interim)

	Total District
Net pension liability	6,735,016
Total noncurrent liabilities	**25,291,431**
TOTAL LIABILITIES	**30,428,674**
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - OPEB	377,475
Deferred inflows - pension	133,002
Deferred inflows - deferred amount on 2020 refunding	149,776
Deferred inflows - leases	201,337
Total deferred inflows of resources	**861,590**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**31,290,264**
NET POSITION	
Net investment in capital assets	50,006,185
Restricted for debt service	1,880,003
Restricted for capital projects	2,707,539
Restricted for rebate program	25,186
Unrestricted	5,302,077
TOTAL NET POSITION	**59,920,991**
Total LIABILITIES, DEFERRED INFLOWS & NET POSITION	**91,211,255**
BOARD-DESIGNATED RESERVES	
Rate Stabilization Fund	2,300,000
Operating Reserve	3,800,000
Capital and Emergency Reserve	500,000
SWP Prefunding Reserve	387,585
Total Board Designated Reserves	**6,987,585**
DEBT SERVICE	
2020 COP Refunding	1,637,125
Cater Ozone Loan	279,093
Total Debt Service	**1,916,218**
OTHER CASH ITEMS	
F025 Highline FEMA Advance	2,831,374
Total Other Cash Items	**2,831,374**
LIABILITY FROM SETTLEMENTS	
CalOES Holdback Disbursements	157,977
Total Other Cash Items	**157,977**
Total Board Designated Reserves, Debt Service, Other Cash & Liability Settlements	**11,893,153**

MONTH ENDING
7/31/2026

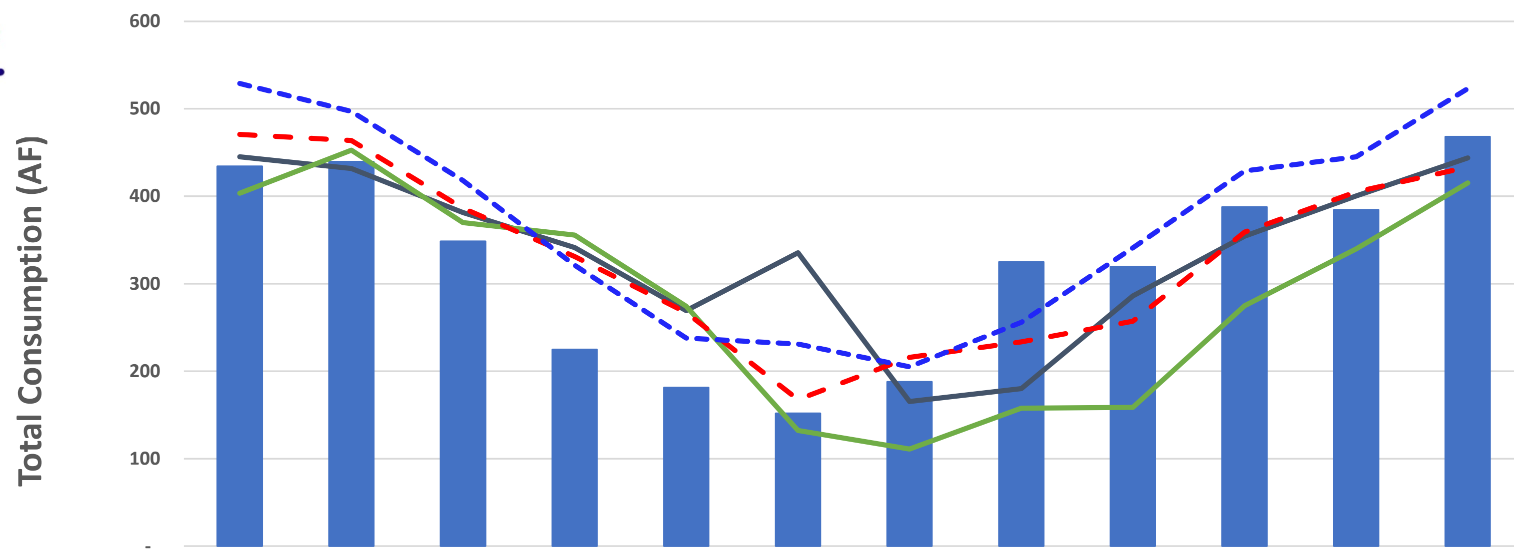
MONTH TO DATE WATER SALES								
CLASSIFICATION	($) MTD ACTUALS	($) MTD BUDGET	VARIANCE		(AF) MTD ACTUALS	(AF) MTD BUDGET	VARIANCE	
			$	%			AF	%
Single Family	$ 2,046,246	$ 1,889,203	$ 157,043	8%	337	315	22	7%
Multi Family	$ 30,921	$ 32,097	$ (1,176)	(4%)	9	9	(0)	(2%)
Agricultural	$ 100,576	$ 84,560	$ 16,016	19%	38	32	6	19%
Institutional	$ 288,441	$ 217,672	$ 70,769	33%	50	38	12	33%
Commercial	$ 135,227	$ 118,450	$ 16,777	14%	26	22	4	20%
Non-Potable	$ 7,135	$ 16,954	$ (9,819)	(58%)	7	17	(10)	(58%)
Monthly Total	**$ 2,608,546**	**$ 2,358,936**	**$ 249,610**	**11%**	**468**	**433**	**35**	**8%**

YEAR TO DATE WATER SALES								
CLASSIFICATION	($) YTD ACTUALS	($) YTD BUDGET	VARIANCE		(AF) YTD ACTUALS	(AF) YTD BUDGET	VARIANCE	
			$	%			AF	%
Single Family	$ 2,046,246	$ 1,889,203	$ 157,043	8%	337	315	22	7%
Multi Family	$ 30,921	$ 32,097	$ (1,176)	(4%)	9	9	(0)	(2%)
Agricultural	$ 100,576	$ 84,560	$ 16,016	19%	38	32	6	19%
Institutional	$ 288,441	$ 217,672	$ 70,769	33%	50	38	12	33%
Commercial	$ 135,227	$ 118,450	$ 16,777	14%	26	22	4	20%
Non-Potable	$ 7,135	$ 16,954	$ (9,819)	(58%)	7	17	(10)	(58%)
Annual Total	**$ 2,608,546**	**$ 2,358,936**	**$ 249,610**	**11%**	**468**	**433**	**35**	**8%**

Fiscal Year = July thru June
1 AF = 435.6 HCF of Water
1 HCF = 748 Gallons of Water

MONTH ENDING 7/31/2026

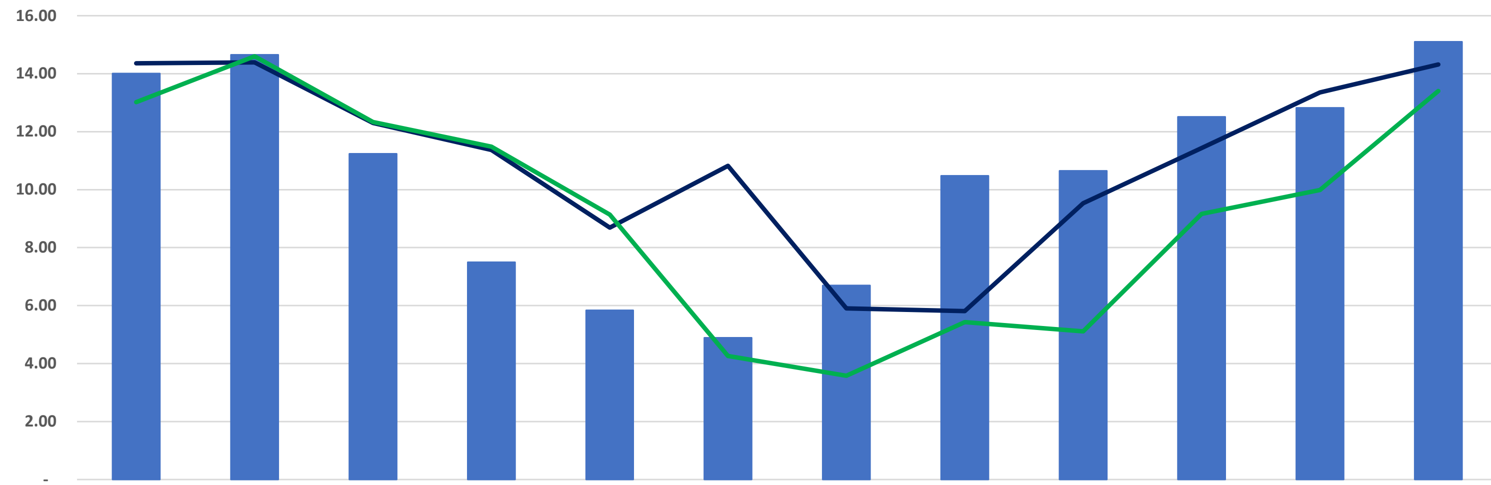
Water Sales (AF) Comparison



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	434	440	348	225	181	152	188	325	320	388	385	468
Trailing 24 Months	445	432	381	341	269	335	165	180	286	354	400	444
Trailing 36 Months	404	453	370	356	274	132	111	158	159	275	340	415
Budget	471	464	387	331	267	168	216	234	257	359	405	433
SBX7-7	529	497	418	321	238	231	205	256	341	429	445	523

MONTH ENDING 7/31/2026

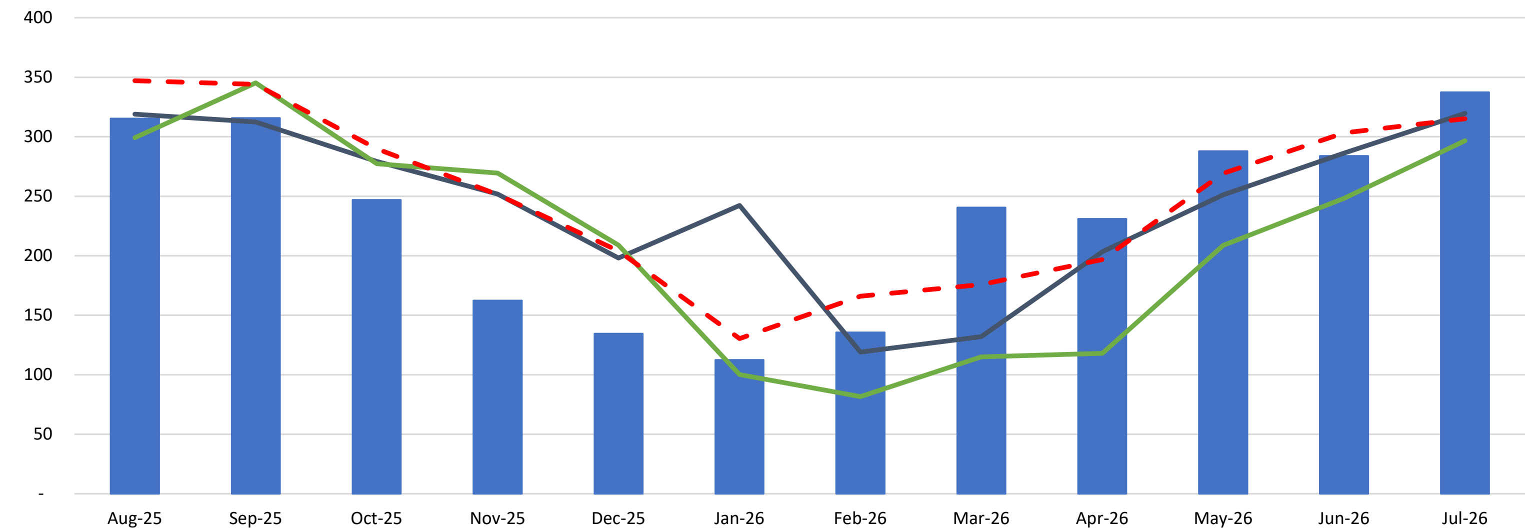
Average Daily Water Sales Per Month (AF)



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	14.01	14.65	11.24	7.50	5.84	4.89	6.70	10.48	10.65	12.51	12.82	15.10
Trailing 24 Months	14.36	14.39	12.30	11.37	8.69	10.82	5.90	5.81	9.53	11.43	13.35	14.32
Trailing 36 Months	13.02	14.60	12.33	11.48	9.14	4.26	3.58	5.43	5.11	9.16	9.99	13.40

MONTH ENDING 7/31/2026

Water Sales by Month (AF)
SINGLE FAMILY RESIDENTIAL

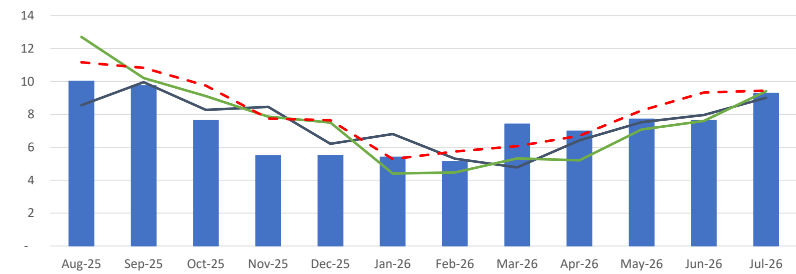


	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	315	316	247	163	135	113	136	241	231	288	284	337
Trailing 24 Months	319	312	279	252	198	242	119	132	203	251	286	320
Trailing 36 Months	299	345	277	269	209	100	82	115	118	209	248	297
Budget	347	344	290	251	204	130	166	176	197	269	303	315

Trailing 12 Months			2,804	AF
Trailing 24 Months			2,915	AF
Trailing 36 Months			2,569	AF
Trailing 12 Month Budget			2,993	AF
Trailing 12 Months	versus	Trailing 24 Months	(3.8%)	
Trailing 24 Months	versus	Trailing 36 Months	9.2%	
Trailing 12 Months	versus	Budget	(6.3%)	

MONTH ENDING 7/31/2026

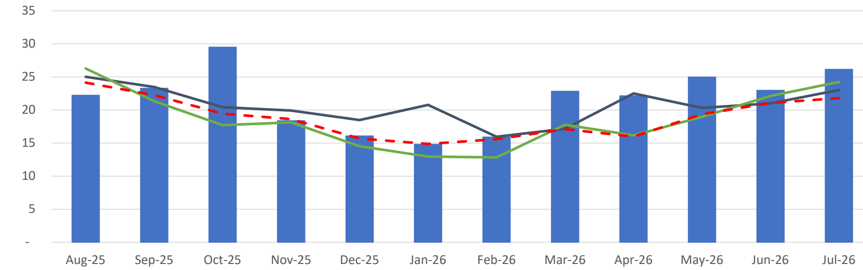
Water Sales by Month (AF)
MULTI FAMILY **RESIDENTIAL**



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	10	10	8	5	6	5	5	7	7	8	8	9
Trailing 24 Months	9	10	8	8	6	7	5	5	6	8	8	9
Trailing 36 Months	13	10	9	8	7	4	4	5	5	7	8	9
Budget	11	11	10	8	8	5	6	6	7	8	9	9

Trailing 12 Months			88	AF
Trailing 24 Months			89	AF
Trailing 36 Months			91	AF
Trailing 12 Month Budget			98	AF
Trailing 12 Months	versus	Trailing 24 Months	(1.4%)	
Trailing 24 Months	versus	Trailing 36 Months	(3.1%)	
Trailing 12 Months	versus	Budget	(10.1%)	

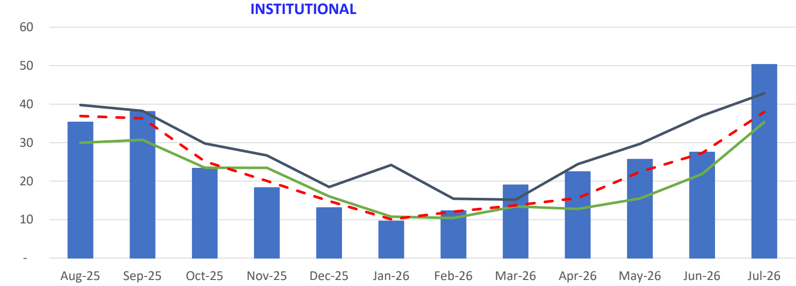
Water Sales by Month (AF)
COMMERCIAL



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	22	23	30	18	16	15	16	23	22	25	23	26
Trailing 24 Months	25	23	20	20	18	21	16	17	23	20	21	23
Trailing 36 Months	26	21	18	18	15	13	13	18	16	19	22	24
Budget	24	22	19	19	16	15	16	17	16	19	21	22

Trailing 12 Months			259	AF
Trailing 24 Months			248	AF
Trailing 36 Months			223	AF
Trailing 12 Month Budget			226	AF
Trailing 12 Month	versus	Trailing 24 Month	4.5%	
Trailing 24 Month	versus	Trailing 36 Month	16.3%	
Trailing 12 Month	versus	Budget	14.8%	

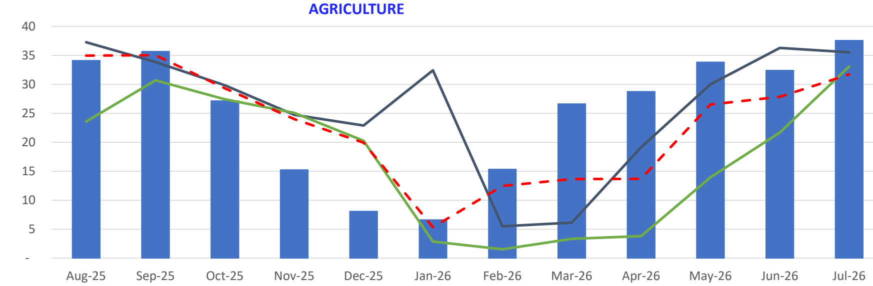
Water Sales by Month (AF)
INSTITUTIONAL



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	35	38	23	18	13	10	12	19	22	26	28	50
Trailing 24 Months	40	38	30	27	18	24	15	15	24	30	37	43
Trailing 36 Months	30	31	23	23	16	11	10	13	13	15	22	35
Budget	37	36	25	20	15	10	12	14	16	22	27	38

Trailing 12 Months			295	AF
Trailing 24 Months			342	AF
Trailing 36 Months			244	AF
Trailing 12 Month Budget			272	AF
Trailing 12 Months	versus	Trailing 24 Months	(13.6%)	
Trailing 24 Months	versus	Trailing 36 Months	21.1%	
Trailing 12 Months	versus	Budget	8.3%	

Water Sales by Month (AF)
AGRICULTURE



	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Trailing 12 Months	34	36	27	15	8	7	15	27	29	34	32	38
Trailing 24 Months	37	34	30	25	23	32	6	6	19	30	36	36
Trailing 36 Months	24	31	27	25	20	3	2	3	4	14	22	33
Budget	35	35	29	24	20	5	12	14	14	27	28	32

Trailing 12 Months			302	AF
Trailing 24 Months			314	AF
Trailing 36 Months			207	AF
Trailing 12 Month Budget			275	AF
Trailing 12 Month	versus	Trailing 24 Month	(3.8%)	
Trailing 24 Month	versus	Trailing 36 Month	45.4%	
Trailing 12 Month	versus	Budget	9.9%	

MONTECITO WATER DISTRICT
WATER SALES ANALYSIS
FOR FISCAL YEAR 2026-27

MONTH	% SALES BREAKDOWN	2025-26 ACTUAL SALES (*)		2026-27 BUDGET SALES		2026-27 ACTUAL SALES (*)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
		AF	$	AF	$	AF	SALES	AF	%	$	%	AF	%	$	%
JUL	11.6%	443.8	2,287,327	433.2	$2,358,935	468.1	$2,608,546	24.3	5.5%	$321,219	14.0%	34.9	8.0%	249,611	10.6%
AUG	12.4%	434.4	2,223,282	457.0	$2,515,690	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
SEP	12.1%	439.5	2,246,351	449.1	$2,470,000	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
OCT	9.8%	348.4	1,707,069	372.8	$1,986,680	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
NOV	7.8%	224.9	1,036,229	303.2	$1,577,848	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
DEC	5.3%	181.2	820,198	216.3	$1,073,942	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
JAN	4.9%	151.6	658,321	199.1	$987,171	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
FEB	4.6%	187.7	836,596	189.7	$926,823	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
MAR	5.6%	324.8	1,604,647	225.8	$1,131,073	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
APR	6.7%	319.6	1,562,654	267.6	$1,371,549	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
MAY	9.0%	387.8	1,982,937	347.5	$1,831,434	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
JUN	10.4%	384.7	1,956,877	391.9	$2,108,018	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
TOTAL	100.0%	3,828.4	18,922,488	3,853.0	$20,339,164	468.1	$2,608,547	24.3	5.5%	$321,219	14.0%	34.9	8.0%	$249,611	10.6%

YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2026-27

	2025-26 ACTUAL SALES (YTD)		2026-27 BUDGET SALES (YTD)		2026-27 ACTUAL SALES (YTD)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
	AF	$	AF	$	AF	$	AF	%	$	%	AF	%	$	%
YTD	443.8	2,287,327	433.2	$2,358,935	468.1	$2,608,546	24.3	5.5%	321,219	14.0%	34.9	8.0%	249,611	10.6%

QUARTERLY COMPARISON - ACTUALS THROUGH JULY 2026 (*)

	2025-26 ACTUAL SALES		2026-27 BUDGET SALES		2026-27 ACTUAL SALES (*)		VARIANCE PRIOR YEAR VS. CURRENT YEAR				VARIANCE BUDGET VS. ACTUAL			
	AF	$	AF	$	AF	$	AF	%	$	%	AF	%	$	%
Jul-Sep (Actual)	1,317.8	6,756,959	1,339.3	$7,344,626	468.1	$2,608,546	(849.7)	(64.5%)	($4,148,413)	(61.4%)	(871.2)	(65.0%)	($4,736,080)	(64.5%)
Oct-Dec (Actual)	754.5	3,563,496	892.2	4,638,471	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Jan-Mar (Actual)	664.2	3,099,564	614.6	3,045,067	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Apr-Jun (Actual)	1,092.0	5,502,468	1,007.0	5,311,001	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Total (Actual)	3,828.4	$18,922,488	3,853.0	$20,339,164	468.1	$2,608,547	(849.7)	5.5%	($4,148,413)	14.0%	(871.2)	8.0%	($4,736,080)	10.6%

2026 07_Sales Analysis & Graph Data_V2