

FY 2023-24 Unaudited Third Quarter Revenue and Expenditure Report

Finance Committee Meeting
May 29, 2024



Strategic Plan

Goal G

Fiscal Responsibility:
Operate the Agency in a
fiscally responsible manner

Initiative 24

Continue to effectively
manage financial resources
for the Agency

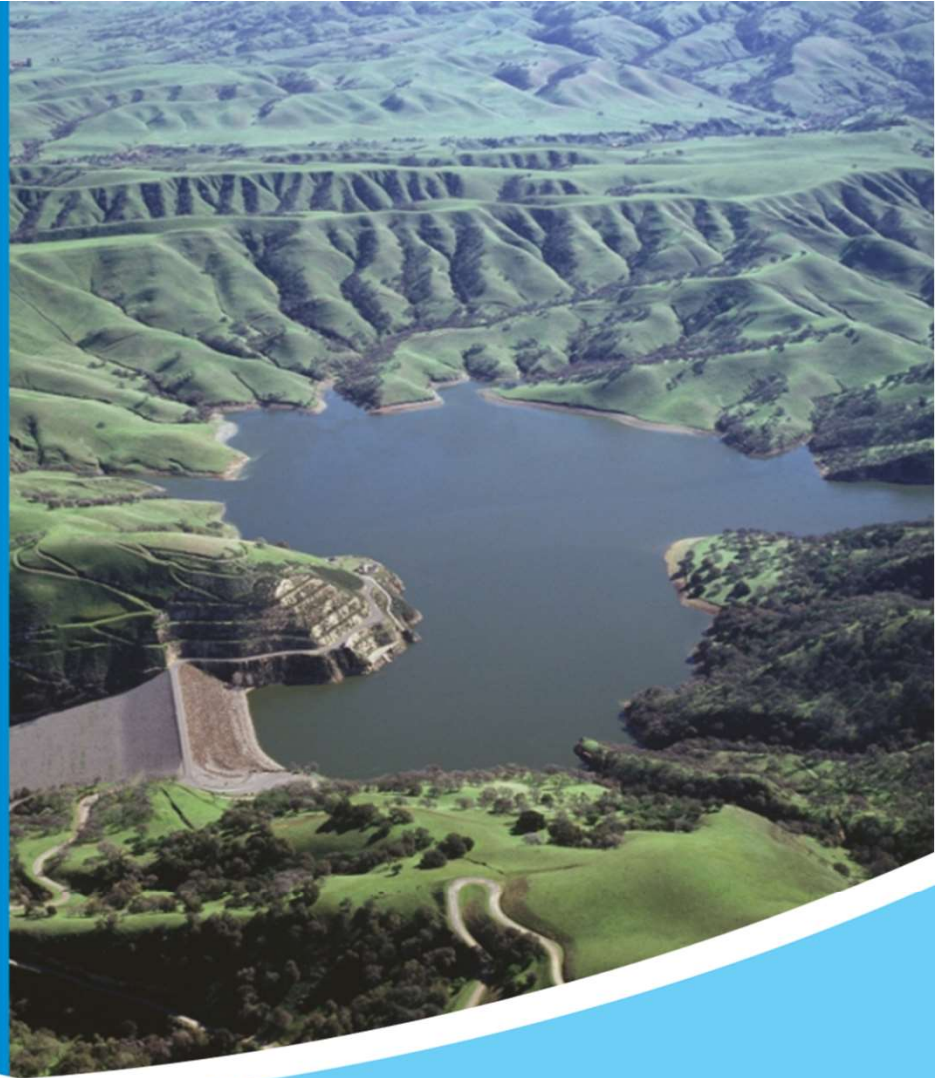
FY 2023-24 Q3 Highlights

- State Water Project announced 40% allocation for Calendar Year 2024.
- \$16M Sustainable Groundwater Management Act Implementation Grant Agreement executed April 4, 2024.
- Projected year-end water connection fee revenue is ~\$10.5M.

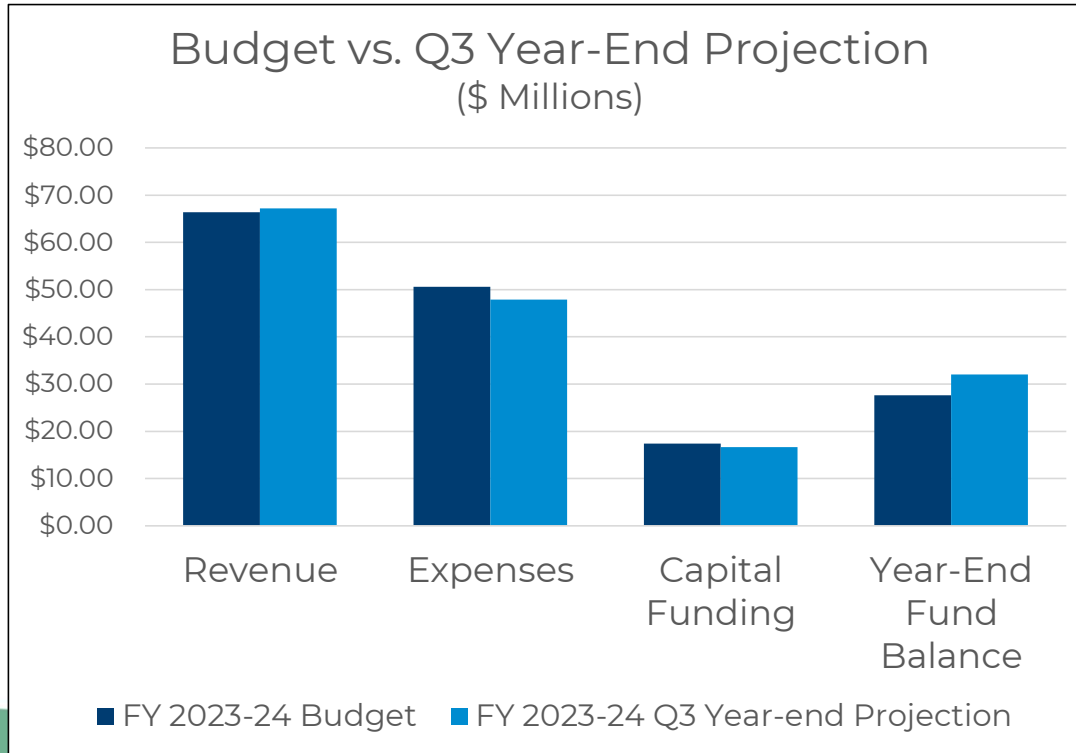
Unrestricted Funds

Fund 100 – Water Enterprise Operations

Fund 120 – Water Renewal/Replacement and System-wide Improvements



Fund 100 – Water Enterprise Operations



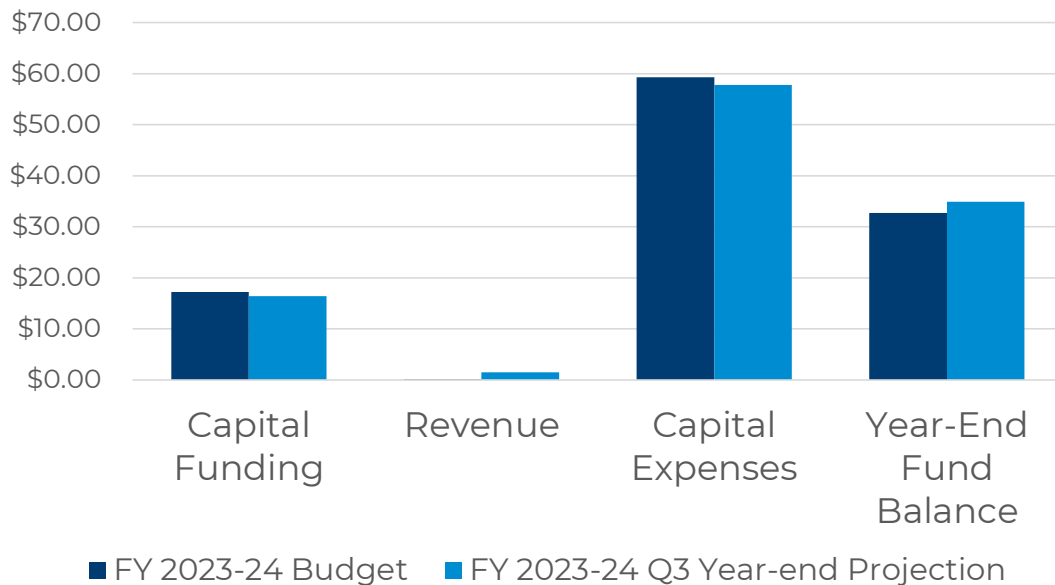
**Unaudited Ending Fund Balance
Projected Increase ~\$2.7M**

- Water sales > Budget
 - Water transfers increasing revenue
- Interest earnings > Budget
- Water production costs < Budget
- Capital Funding < Budget

**Reserves Funded at Target
Levels**

Fund 120 – Water Renewal / Replacement & System-wide Improvements

Budget vs. Q3 Year-End Projection
(\$ Millions)



**Unaudited Ending Fund Balance
Projected Decrease ~\$39.9M**

- Capital funding < Budget
- Interest earnings > Budget
- Major multi-year projects nearing completion:
 - Stoneridge PFAS Treatment Facility
 - Chain of Lakes PFAS Treatment Facility
 - MGDG Concentrate Conditioning
 - Wells/MGDG Electrical Upgrades/Replacements

**Projected Year-End Reserves
Compliant with Board Policy**

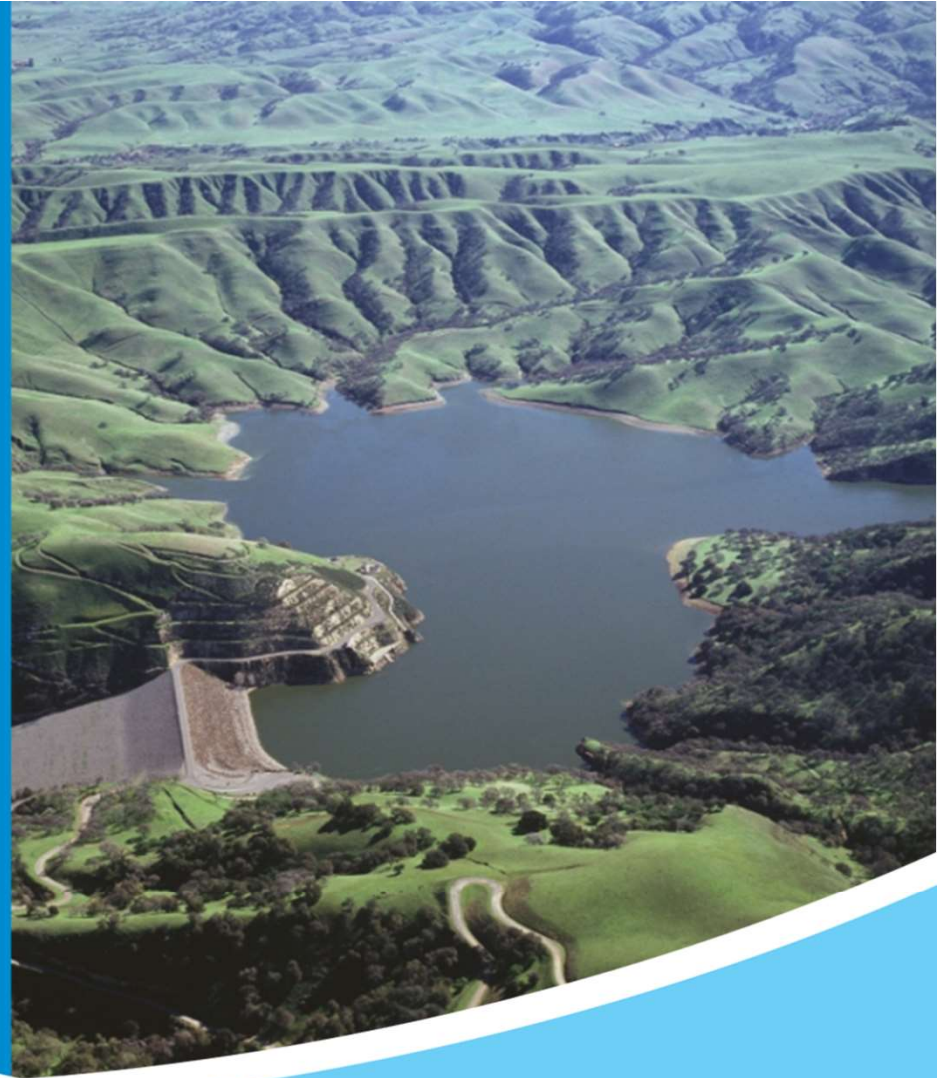
Restricted Funds

Fund 110 – State Water Facilities

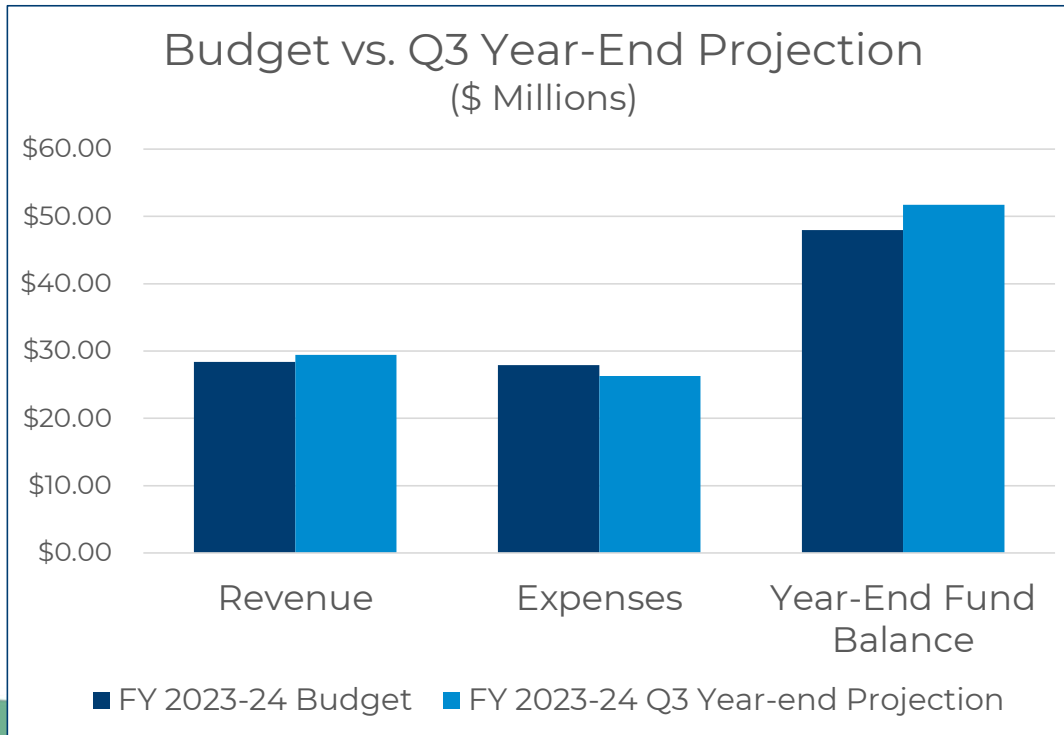
Fund 130 – Water Enterprise Capital Expansion

Fund 200 – Flood Protection Operations

Fund 210 – Flood Protection Development Impact Fee



Fund 110 – State Water Facilities



**Unaudited Ending Fund Balance
Projected Increase ~\$3.1M**

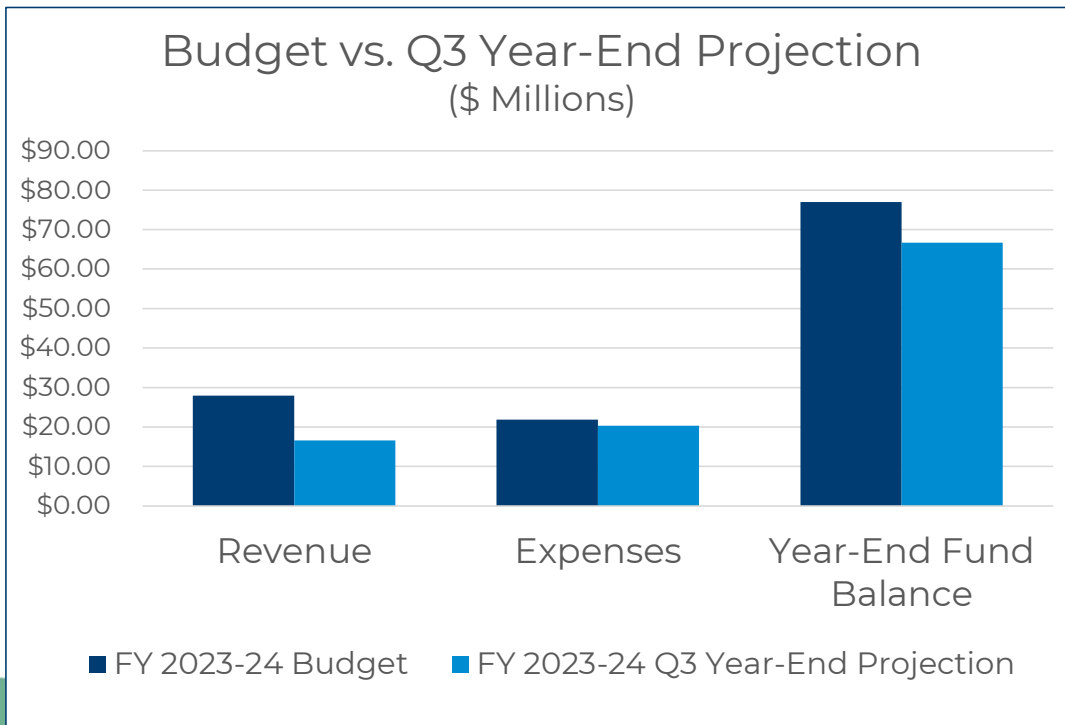
- Property tax revenue = Budget
- Interest earnings > Budget
- Expenses are State Water Project fixed costs

**Projected Year-End Reserves
Compliant with Board Policy**



SWP costs are highly volatile and unpredictable. SWP costs are expected to increase by approximately \$6 billion over the next 12 years.

Fund 130 – Water Enterprise Capital Expansion

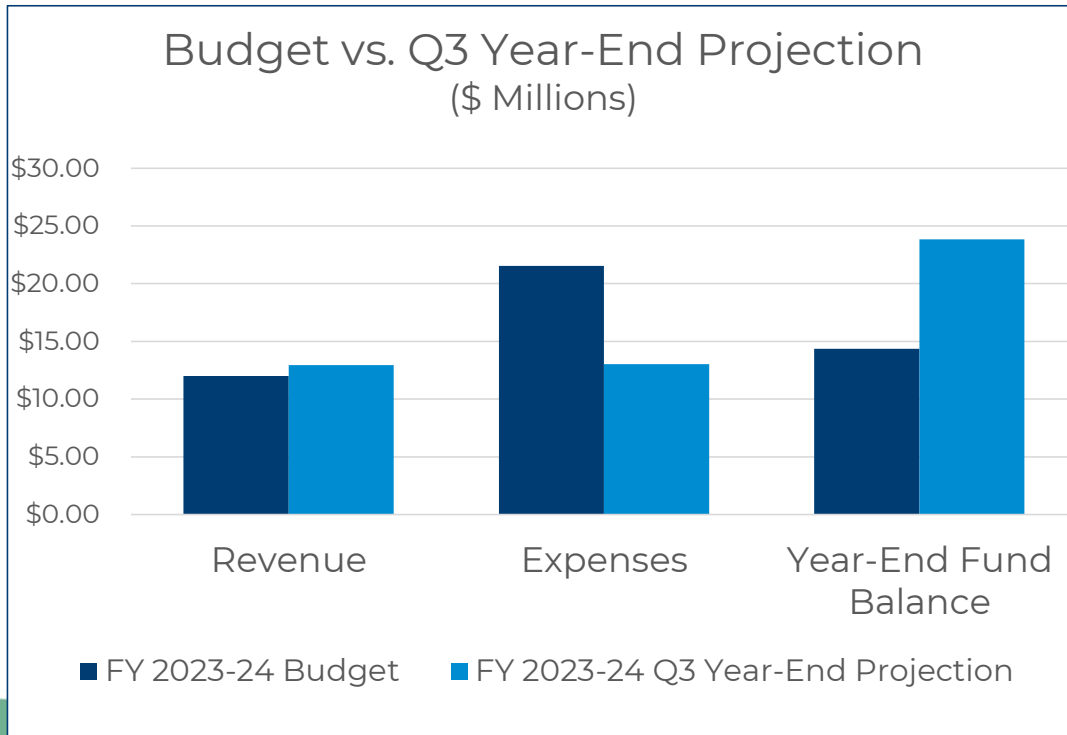


Unaudited Ending Fund Balance Projected Decrease ~\$3.7M

- Connection fee revenue < Budget
- Interest earnings > Budget
- Capital projects < Budget
 - multi-year projects

Projected Year-End Reserves Compliant with Board Policy

Fund 200 – Flood Protection Operations

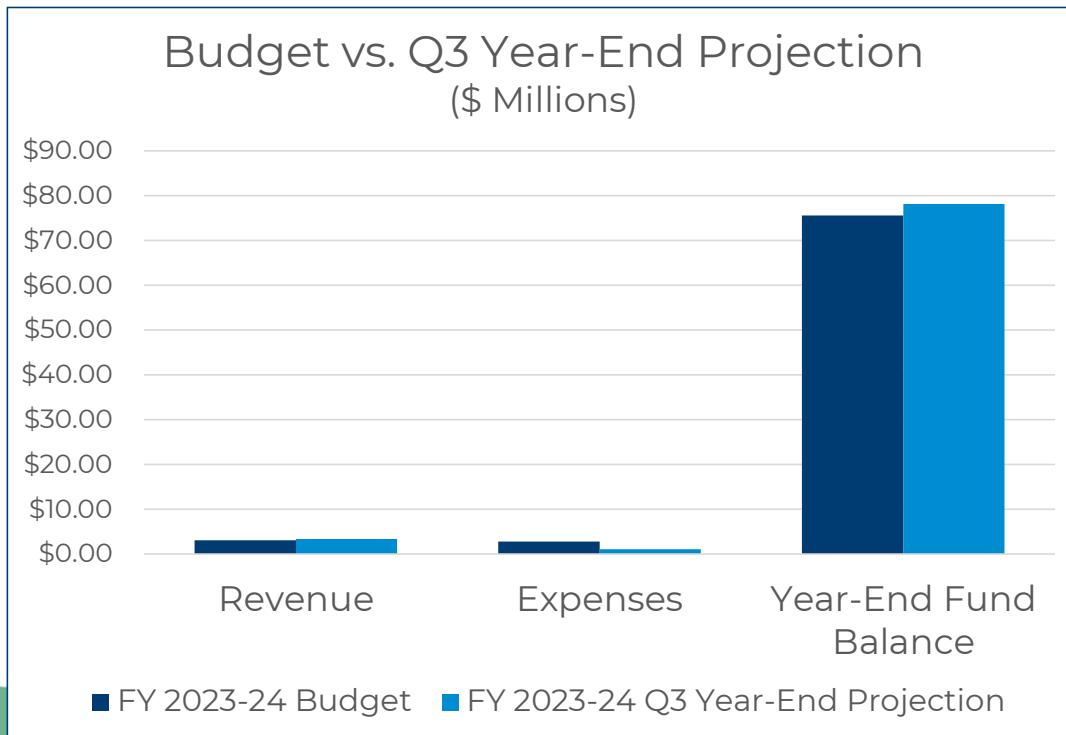


Unaudited Ending Fund Balance Projected Decrease ~\$87K

- Property tax revenue > Budget
- Multi-year projects in process
 - Flood Emergency services and repairs
 - Flood Management Plan Phase 2
 - Alamo Creek Pilot Project

Projected Year-End Reserves Compliant with Board Policy

Fund 210 – Flood Protection Development Impact Fee (DIF)



Unaudited Ending Fund Balance Projected Increase ~\$2.2M

- Development fee revenue < Budget
- Interest earnings > Budget
- Multi-year projects include:
 - Flood Management Plan Phase 2

Projected Year-End Reserves Compliant with Board Policy

Questions?



Water Quality



Water Reliability



Flood Protection