

FY 2023-24 Unaudited Fourth Quarter Revenue and Expenditure Report

Finance Committee Meeting
September 12, 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 Q4 Highlights

- **Pension Contribution** - on March 20, 2024, following the Finance Committee's recommendation, the Board authorized a \$250K contribution to the pension trust fund.
- **Water Sales** - Q4 unaudited actual water sales include:

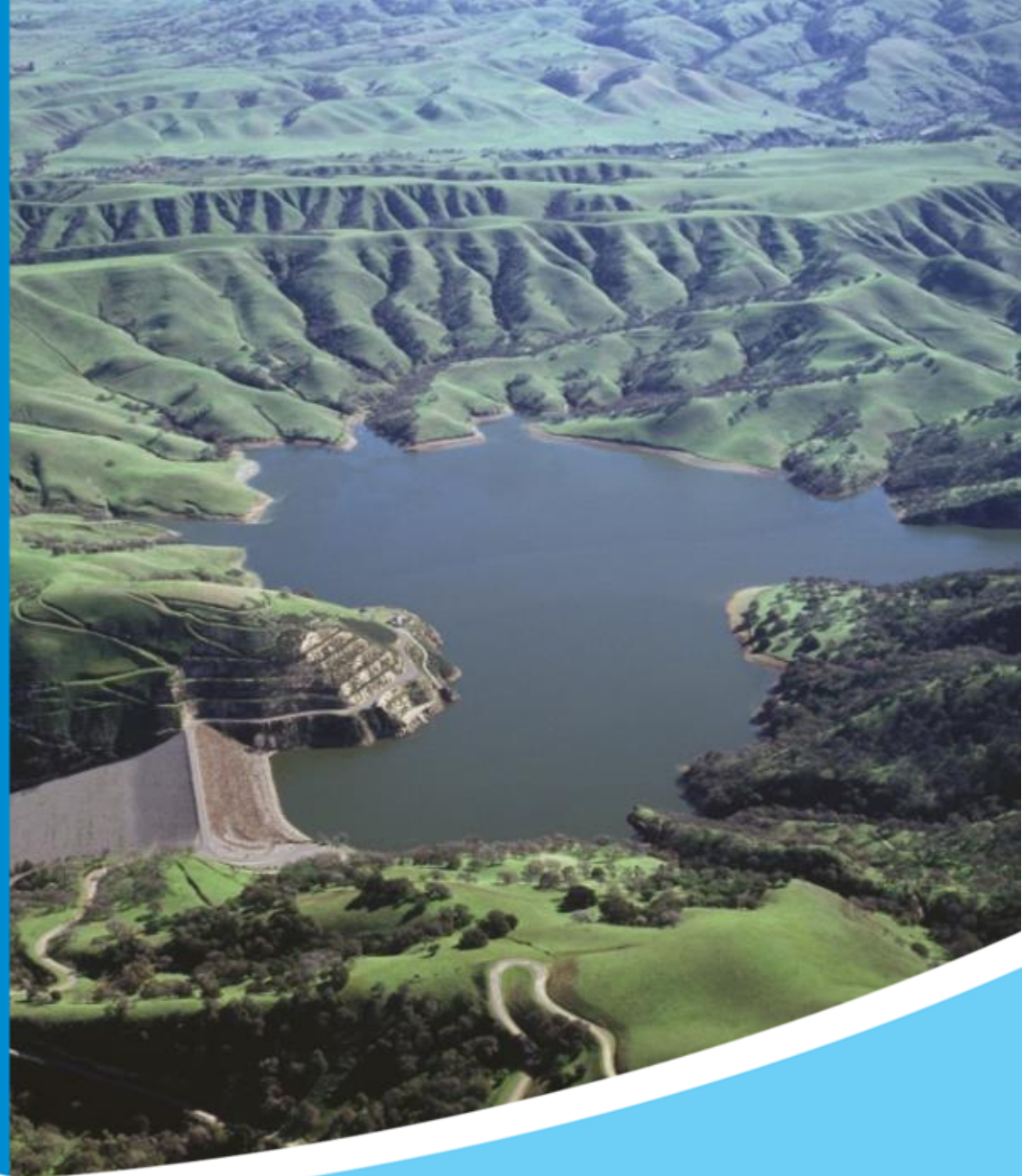
	Budget	Actual	%Variance
Treated Water Sales (AF)	36,000	34,800	3.3%
Untreated Water Sales (AF)	5,000	4,830	3.4%
Total Water Sales	41,000	39,630	3.3%

- In addition, 8,000 AF of water sales transfers to Westside Water Districts.
- **Water Connection Fees** – \$11.9M in water connection fees in FY 2023-24, a 70% decline in revenue since FY 2018-19. A connection fee study is underway.
- **Grant Award for Stoneridge PFAS Project** – Grant agreement executed in April. Grant funds anticipated in FY 2024-25.

Unrestricted Funds

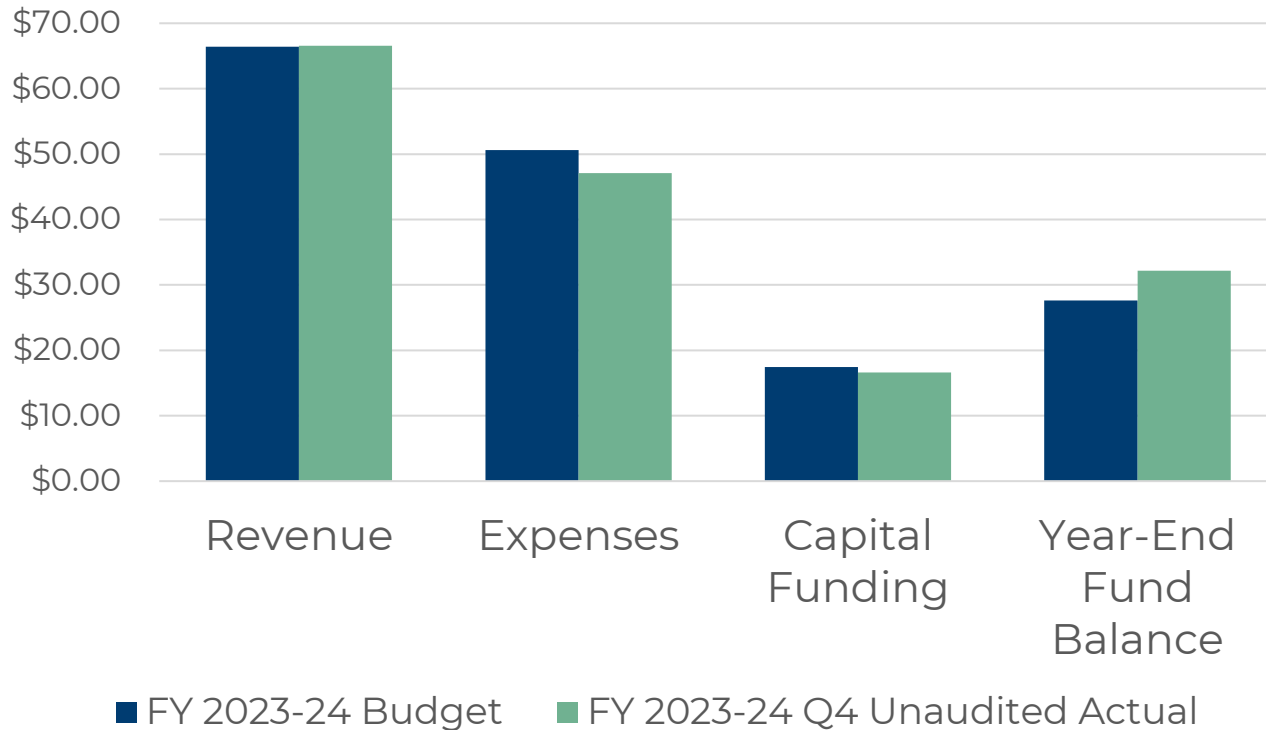
Fund 100 – Water Enterprise Operations

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



Fund 100 – Water Enterprise Operations

Budget vs. Q4 Unaudited Actual
(\$ Millions)



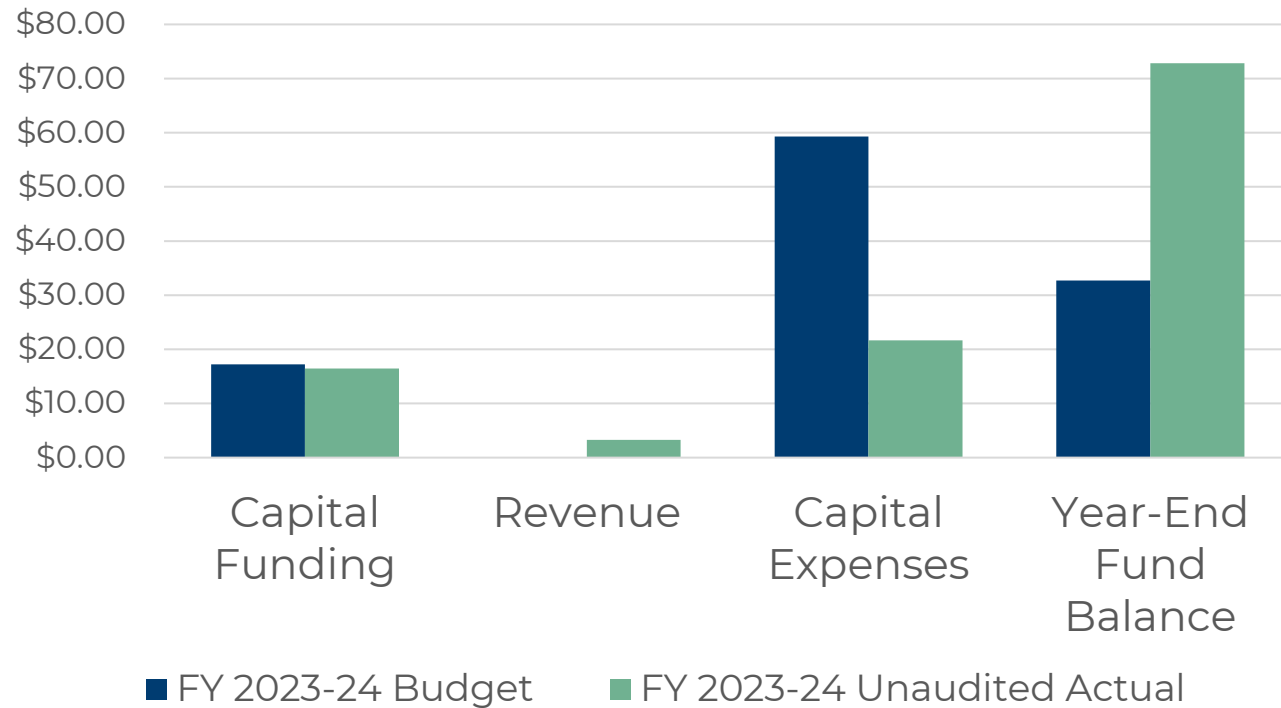
**Unaudited Ending Fund Balance
Projected Increase ~\$2.8M**

- Water sales < Budget
 - \$690K less than budget
- Interest earnings > Budget
- Water production costs < Budget
- Capital Funding < Budget
- Unallocated Fund Balance = \$3.9M
 - \$1.5M planned to balance FY 2024-26 Budget

**Reserves Funded at Target
Levels**

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

Budget vs. Q4 Unaudited Actual
(\$ Millions)



Unaudited Ending Fund Balance Decrease ~\$2.0M

- Capital funding < Budget
- Interest earnings > Budget
- Capital projects < 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
- Unspent capital budgets (~\$36.2M) will be spent in subsequent fiscal years.

Year-End Reserves Compliant with Board Policy

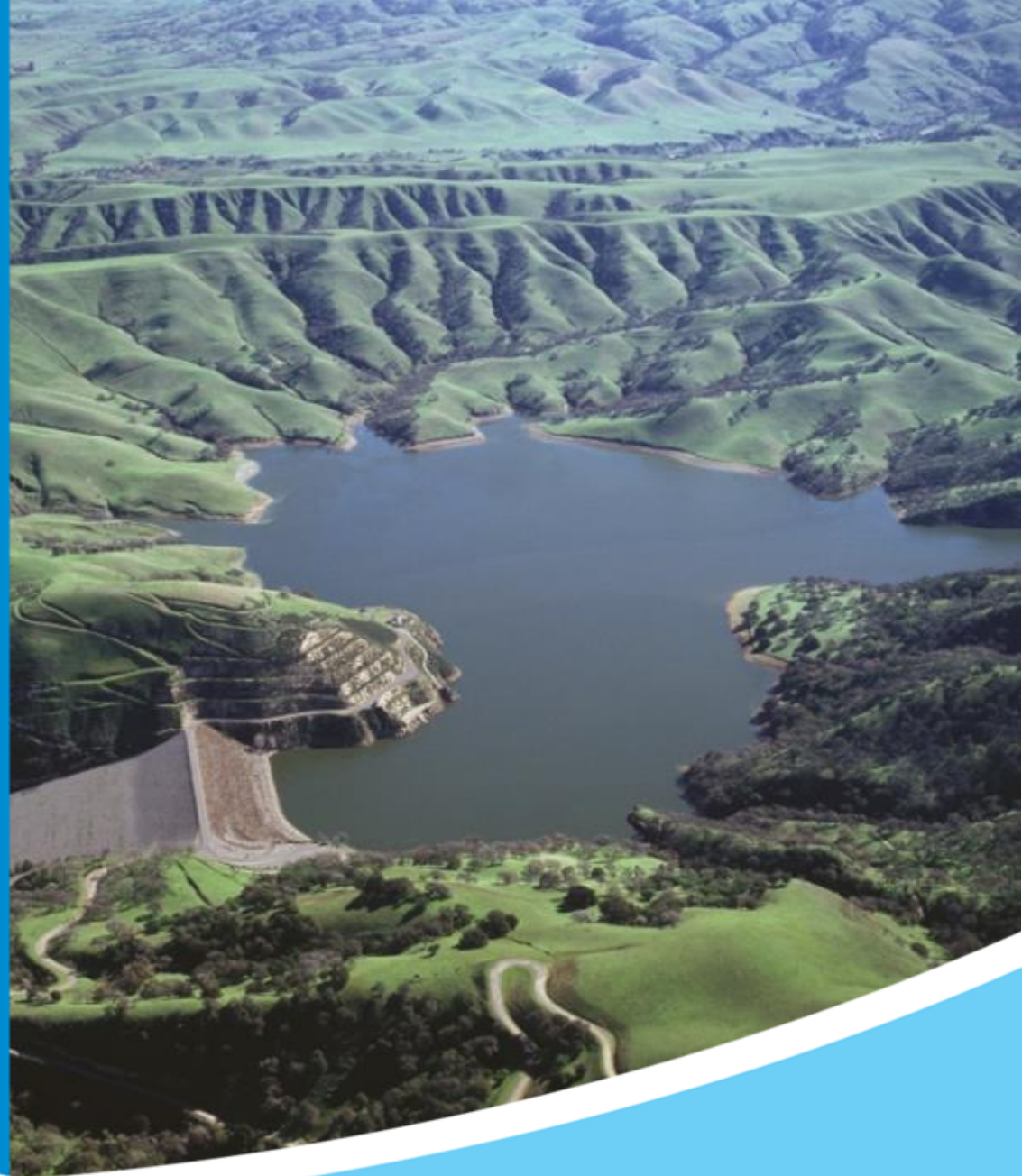
Restricted Funds

Fund 110 – State Water Facilities

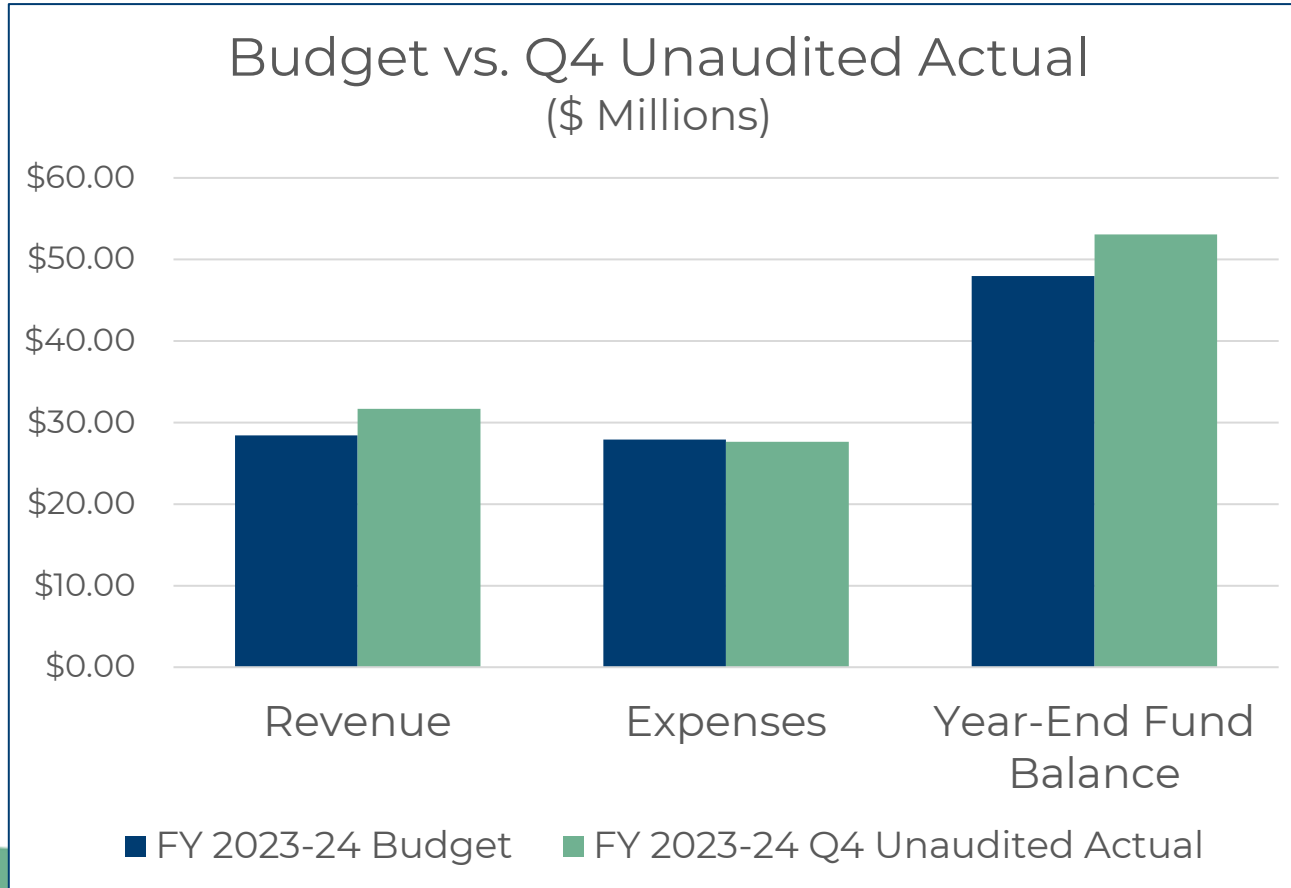
Fund 130 – Water Enterprise Capital Expansion

Fund 200 – Flood Protection Operations

Fund 210 – Flood Protection Development Impact Fee



Fund 110 – State Water Facilities



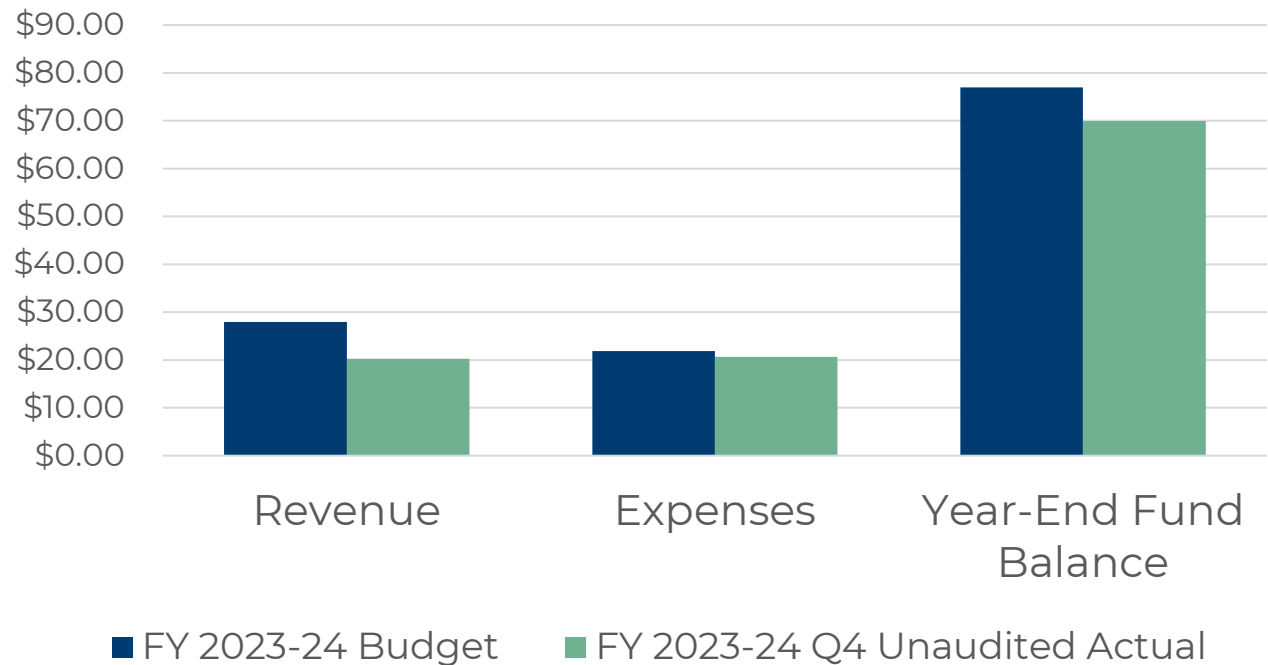
Unaudited Ending Fund Balance Increase ~\$4.4M

- Property tax revenue > Budget
 - due to unsecured and supplemental taxes
- Interest earnings > Budget
- Expenses > Budget

Year-end Reserves > Maximum

Fund 130 – Water Enterprise Capital Expansion

Budget vs. Q4 Unaudited Actual
(\$ Millions)

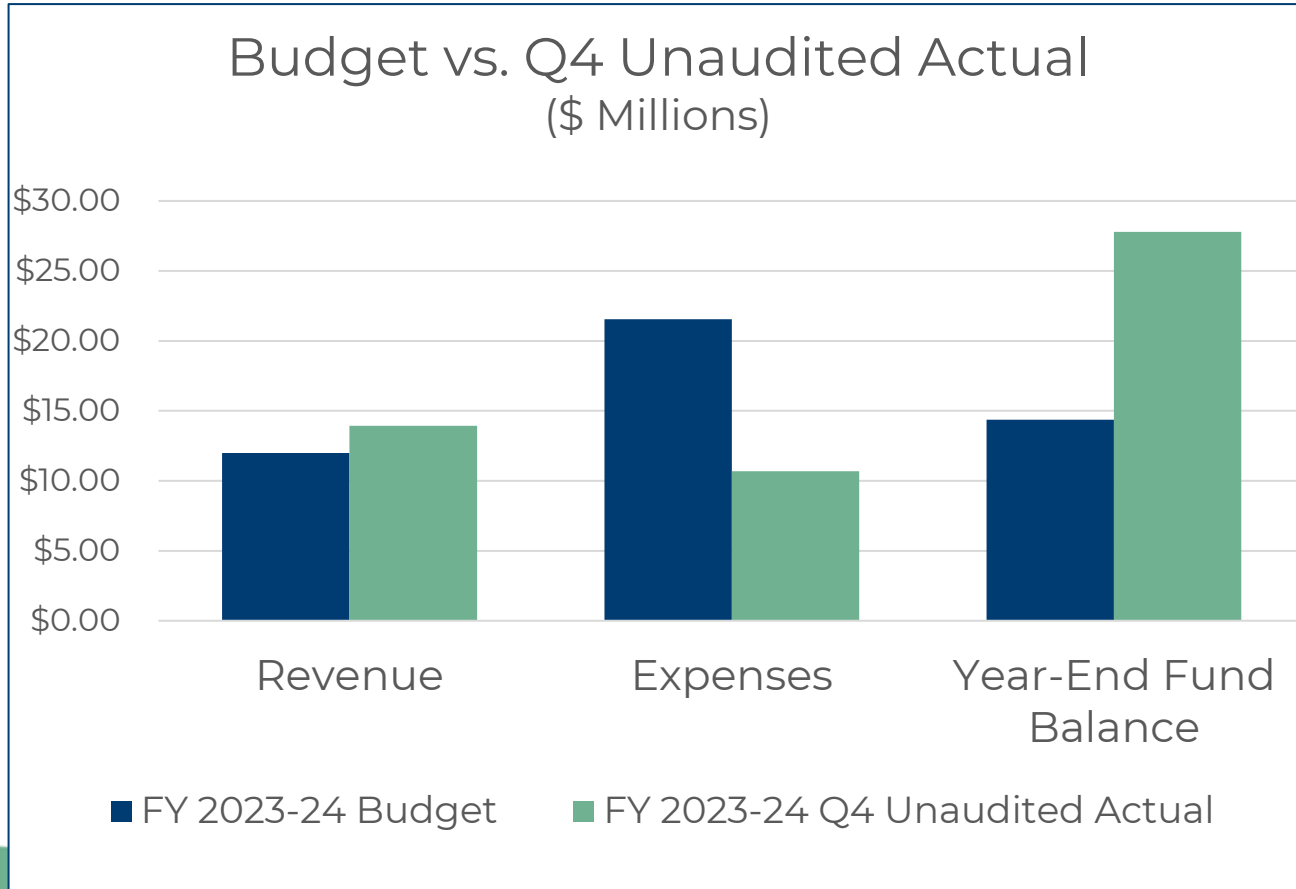


Unaudited Ending Fund Balance Decrease ~\$410K

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

Year-End Reserves Compliant with Board Policy

Fund 200 – Flood Protection Operations



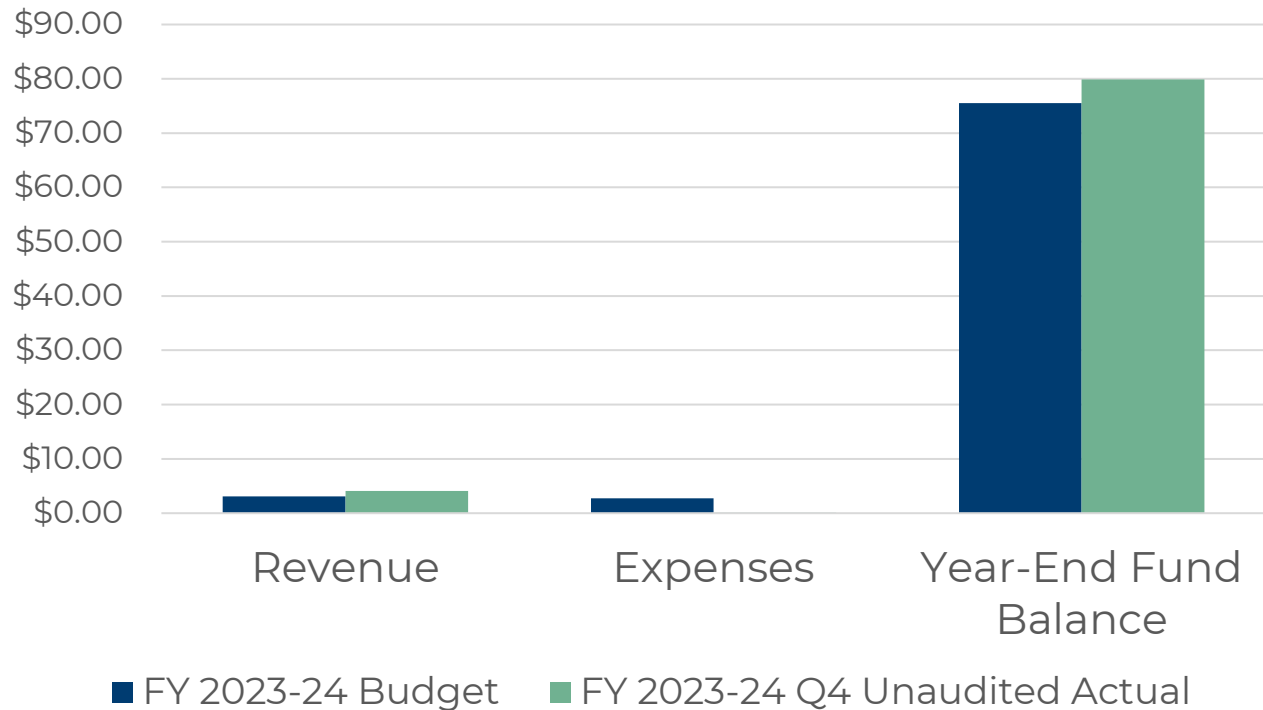
Unaudited Ending Fund Balance Increase ~\$3.9M

- Property tax revenue > Budget
- Multi-year projects in process
 - Flood Emergency services and repairs
 - Flood Management Plan Phase 2
 - Alamo Creek Pilot Project
- Unspent project budgets will be spent in subsequent fiscal years.

Year-End Reserves Compliant with Board Policy

Fund 210 – Flood Protection Development Impact Fee (DIF)

Budget vs. Q4 Unaudited Actual
(\$ Millions)



**Unaudited Ending Fund
Balance Increase ~\$4.0M**

- Development fee revenue < Budget
- Interest earnings > Budget
- Multi-year projects include:
 - Flood Management Plan Phase 2
- A future a Flood Protection Capital Improvement Plan will identify flood expansion projects to be paid from this fund

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

Questions?



Water Quality



Water Reliability



Flood Protection