

**Metropolitan Domestic Water Improvement District  
Board of Directors Meeting**

**February 13, 2023**

**Financial Report**

The financial information presented below is as of January 31, 2023, unless otherwise stated:

**Revenue/Expenditures Compared to Budget (Figures as of December 31, 2022)**

- *Budgeted Operating Revenue for Fiscal Year 2023 is \$23,436,531. The total revenue earned this fiscal year through the end of December was \$12,248,982 which is favorable by \$530,717 when compared to a straight-line projection.*
- *Metered Water Sales were budgeted at \$18,696,674 for Fiscal Year 2023. Metered water sales at the end of December were \$9,904,220 or 52.97% of the adopted budget with 50% of the year completed. Historically 54% of the annual budgeted metered water revenue would be billed by the end of December.*
- *Budgeted Operating Expenses for Fiscal Year 2023 total \$14,008,628 including investments to support the District that will not be capitalized. The expenditures at the end of December totaled \$6,392,518, which is lower than a twelve-month straight-line projection by \$611,796.*
- *The Budgeted Operating Revenue in Excess of Operating Expenditures total for Fiscal Year 2023 is \$9,427,903. The December total of \$5,856,464 is favorable by \$1,142,513.*

**Revenue/Expenditures Compared to Prior Year (Figures as of December 31, 2022)**

- *The total billed Revenue as of December 31, 2022, was \$12,248,982, which is \$80,627 or 0.66% higher than the total revenue billed at the end of December during the prior fiscal year.*
- *Operating Expenditures as of December 31, 2022, were \$349,353 higher than they were at the end of December 2021 with a total of \$6,392,518 in Fiscal Year 2023 compared to \$6,043,165 in Fiscal Year 2022.*
- *The December revenue in excess of expenditures is unfavorable by \$268,726 when compared to the same time in the prior fiscal year.*

**Daily Deposit Report**

- *The combined cash account balance as of January 31, 2023, was \$26,710,034.63, which is \$989,358.82 lower than the December balance. This balance is \$110,618.90 higher than the balance as of January 31, 2022.*

**Investment Funds Report**

- *Funds invested with the Arizona State Treasurer, Wells Fargo Securities, and Institutional Bond Network in January total \$18,359,679.70 compared to the December balance of \$17,270,466.82. The total investment balance is \$7,237,611.44 higher than the January 31, 2022, balance.*

### **Pooled Collateral**

- *The Arizona State Treasurers Office pooled collateral program ensures all District funds on deposit are either federally insured or backed with collateralization. The statement for December had funds on deposit totaling \$17,532,100.54 with \$500,000 of FDIC insurance and collateralization coverage of \$17,372,742.55.*

### **Check Registers**

- *The operating fund had a total of \$1,229,903.32 issued on 112 regular checks.*
- *One-time and customer refund checks totaled \$5,271.84 on 32 operating fund issued checks.*

### **Commercial Master Card (Figures through January 20, 2023)**

- *The Capital One Commercial MasterCard was used to purchase a total of \$22,325.14 during the January billing cycle, with up to 1.25% cash back. The inception-to-date cash back total is \$21,467.34.*

### **Meter Applications**

- *Five-meter application were received in January for the Metro Main service area. Three-meter application were received in January of the prior year. The adopted budget includes 240 planned new meter applications, with 180 new meter applications in the Metro Main and Hub service areas, and 60 new meter applications in the Metro Southwest service areas.*

### **Office Complex Electric Costs - Analyzing Solar Impact**

- *The utility cost comparison report for electricity and solar costs at the administration buildings compares the current fiscal year electric costs to the prior fiscal year, and to Fiscal Year 2011, which was the year before the solar installation. The January 2023 monthly lease fee was \$2,195 with additional charges totaling \$35.87 less the remaining credit balance from Net Metering of \$16.60 for a monthly service charge of \$19.27. The fiscal year electricity costs are \$8,028 lower than the amount paid for electricity during Fiscal Year 2011 and \$16.00 lower than they were in Fiscal Year 2022.*

### **Mid-Year Comparison to the Adopted Budget**

- *With one half of the Fiscal Year completed, the District has expended 47% of the budgeted salaries and benefits, 24% of the consultant and contracted services, and 42% of the operating expenses. Higher electricity costs have consumed 58% of the electricity budget. Natural gas for auxiliary power is under budget at 37% of the planned spending. Forty-four percent of the supplies budget has been spent and 49% of the planned CAP water allocation purchased. The monthly non-cash depreciation and amortization expenses are on track with for the mid-year. Debt payments are made twice per year on January 1st and July 1st. The District expenditures and expenses are on track to be within or slightly under the adopted budget by the end of the fiscal year.*
- *Revenue billed as of December 31, 2022, is at 51.1% of the adopted budget.*
- *All but one of the investments to support the District have been completed and parts are on order for the VFD replacement at the Diablo Village II booster.*
- *No deviations from the adopted budget are requested.*

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Respectfully submitted,

Diane Bracken, M.Adm.  
Chief Financial Officer

I concur with the above-noted report.  
Respectfully submitted

Joseph Olsen, P.E.  
General Manager