

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

April 13, 2020

Financial Report

The financial information presented below is as of March 31, 2020, unless otherwise stated:

Revenue/Expenditures Compared to Budget (Figures as of February 29, 2020)

- *Budgeted Operating Revenue for Fiscal Year 2020 is \$22,914,792. The February total revenue of \$16,176,003 is favorable by \$899,475 when compared to a straight line projection.*
- *Metered Water Sales are budgeted at \$17,808,378 for Fiscal Year 2020. Water sales at the end of February were \$12,391,865 or 69.6% of the adopted budget with 66.67% of the year completed. Historically 67% of the annual budgeted metered water revenue would be collected at the end of February.*
- *The total Budgeted Operating Expenses for Fiscal Year 2020 is \$12,498,086. The total expenditures at the end of February are \$7,709,849, which is under budget when compared to a straight line projection by \$622,208.*
- *The Budgeted Operating Revenue in Excess of Operating Expenditures in Fiscal Year 2020 is \$10,416,706. The February total of \$8,466,154 is favorable by \$1,521,683 when compared to a straight line projection.*

Revenue/Expenditures Compared to Prior Year (Figures as of February 29, 2020)

- *The total Revenue as of February 29, 2020, is \$16,176,007, which is \$1,326,337 higher than the total revenue collected at the end of February during the prior fiscal year. Metered Water Sales are higher than they were as of February 28, 2019 by \$765,371, or 6.58%.*
- *Operating Expenses as of February 29, 2019, are \$494,039 or 6.85% higher than they were at the end of February 2019 with a total of \$8,466,154 in Fiscal Year 2020 compared to \$7,633,856 in Fiscal Year 2019. The February revenue in excess of expenditures is favorable by \$832,298 when compared to the prior fiscal year.*

Daily Deposit Report

- *The combined cash account balance as of March 31, 2020, is \$13,402,468.64, which is \$284,847.43 higher than the February balance. This balance is \$6,594,535.80 higher than the balance as of March 31, 2019.*

Investment Funds Report

- *Funds invested with the Arizona State Treasurer, Wells Fargo Securities, and Arbitrage Management Financial Services in March total \$11,395,867.61 compared to the February balance of \$11,099,456.99. The total investment balance is \$2,452,920.71 lower than the March 31, 2019 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 February shows funds on deposit totaling \$4,998,475.76 with \$1,000,000 of FDIC insurance and collateralization coverage of \$4,078,445.28. The FDIC coverage should have been \$250,000 and Wells Fargo did hold collateralized securities in excess of \$200 million dollars.*

Check Registers

- *The operating fund had a total of \$1,339,346.45 issued on 129 regular checks.*
- *One-time and customer refund checks totaled \$4,711.39 on 55 operating fund issued checks.*

Commercial Master Card (Figures through March 20, 2020)

- *The Capital One Commercial MasterCard was used to purchase a total of \$52,362.18 during the March billing cycle, with up to 1.25% cash back. The February cash back total for transactions processed was \$515.93 or 1.12% with an inception-to-date cash back total of \$8,786.63.*

Meter Applications

- *Thirty-eight meter applications were received for all service areas in March with 29-meter applications received in March of the prior fiscal year. Sixteen-meter applications were for the Metro Southwest service area, and 22-meter applications were for the Metro Main service area. The adopted budget includes revenue projections for 180 new meter applications in the Metro Main and Hub service areas, which has been exceeded, and 108 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 March 2020 monthly lease fee was \$2,195 with \$36 of service fees for a total monthly cost of \$2,231. The fiscal year electricity costs are \$5,824 lower than the amount paid for electricity during Fiscal Year 2011 and \$476 high than electricity costs paid in Fiscal Year 2019 with the system shut down for solar panel replacements in Fiscal Year 2020.*

Respectfully submitted,

Diane Bracken, M.Adm.
Chief Financial Officer

I concur with the above-noted report.
Respectfully submitted

Joseph Olsen, P.E.
General Manager