# Diamond A Mutual Water Company

#### Financial Report to Board of Directors

**SEPTEMBER 9, 2024** 

- Current Financial Status
- 2024 Cap Ex Review
- 2023 Financial Report
- Budget Prep for 2024

### **Current Financial Status**

- YTD 2024 Net Income on target
  - Water Sales Revenue YTD \$11k higher than than Budget
  - Repairs and Maintenance are \$3k OVER Budget
  - Water Analysis / Health is \$5k OVER Budget
  - Overall Net Income YTD is \$2k higher than Budget
- High Electricity costs suggest that October Water Sales will be strong

DIAMOND A MUTUA		•					
Excludes Depreciati	ion						
			APPROVED	ACTUAL	ACTUAL	ACTUAL	ACTUAL
			BUDGET	YTD	YTD	YTD	YTD
			2024	9/16/2021	9/2/2022	9/7/2023	9/5/2024
Water Sales & Servic			235,000				135,97
	e			149,194	99,033	123,856	4,21
Interest Other Income			4,800	0	69	409	4,21
Subtotal - Operating	Incomo		239,800	149,194	99,103	124,265	140,18
Subtotal - Operating	licome		239,800	143,134	99,103	124,203	140, 10
Admin	Finance Mngr	Dee	18,000	11,200	12,000	12,000	12,00
Admin	Legal & Accting		8,000	2,000	2,090	3,455	3,17
Admin	Taxes		800	800	_,	-,	-,
Admin	Interest Expense			1,592	149	0	
Admin	Mailing & Office		500	424	462	490	50
Admin	Bank Charges		7,500	4,030	3,657	4,521	5,59
Admin	PayPal Charges		0	,,,,,,	-,	,-	, ,
Admin	Website		200	196	0	392	19
Admin	Fees		2,400	443	2,050	2,466	4,96
Admin	Insurance		12,000	8,543	9,850	10,459	11,39
Admin	Answering Service		0				•
Admin	Supplies		0				
Ops - Recurring	Operations Mngr	Bill	24,000	8,800	9,600	9,600	16,00
Ops - Recurring	Monthly Service	JDY	30,000	12,337	15,156	16,824	21,40
Ops - Recurring Meter Reading Service		0					
Ops - Recurring	Water Analysis / He	alth Dept	2,520	1,125	3,395	1,971	6,79
Ops - Recurring	Generator Rental		6,000	1,902			
Ops -R&M	Labor / Maintenance Projects		50,000	13,149	1,900	31,219	51,34
Ops -R&M	Materials		5,000	0	0	0	
Ops -R&M	Repairs		10,000	14,296	18,043	12,486	
Ops - Utilities	Telephone		1,200	833	847	809	78
Ops - Utilities	Electricity		45,000	34,826	25,478	21,968	28,88
Subtotal - Operatino	g Expenses		223,120	116,495	104,676	128,660	163,03
Net Cash Flow From	Operations		16,680	32,698	(5,574)	(4,395)	(22,84
Income - Maintenance & Improvements		150,480	99,633	100,159	109,420	113,34	
Expense - Capital Imp							
Subtotal - Capital			150,480	99,633	100,159	109,420	113,34
CASH FLOW BEFOR	R CAP EX		167,160	132,331	94,585	105,025	90,49

#### **Current Financial Status**

Cash
position
remains
good with
\$385k in
the Bank

	_
	Sep 5, 24
ASSETS	
Current Assets	
Checking/Savings	
103 O · Westamerica	67,119.71
104 O · Heritage Bank of Commerce	149,990.87
124 R · Westamerica /MM	7,211.99
125 R · Live Oak Bank	160,978.02
Total Checking/Savings	385,300.59
Accounts Receivable	
161 O · Accounts Receivable	6,452.02
Total Accounts Receivable	6,452.02
Other Current Assets	
181 O · Prepaid Insurance	2,910.00
<b>Total Other Current Assets</b>	2,910.00
<b>Total Current Assets</b>	394,662.61
Fixed Assets	
Capital Improvements	1,448,853.92
190 R.1 · Land	1,000.00
190 R.2 · Water Equipment	482,031.11
193 R · Accum. Depreciation	-1,555,839.00
Total Fixed Assets	376,046.03
TOTAL ASSETS	770,708.64
LIABILITIES & EQUITY	
Equity	
Paid-In Capital	2,547,147.66
Common Stock	214.00
3900 · Retained Earnings	-1,909,007.10
Net Income	132,354.08
Total Equity	770,708.64
TOTAL LIABILITIES & EQUITY	770,708.64

## YTD Cap Ex Review

CAP EX -	YTD SPEND VS BU	DGET					
				2024		YTD	Better
				Budget		Spend	(Worse)
Operatir	ng Fund - Cap Ex						(======
	Manifold modifcation and control system at White Oak			6,000	Carryover		6,000
	Control Systems - Water Level in Well			10,000	Carryover		10,000
	Transfer Pumps	- Replace Land	Lines with Wireless				
	Valves - Clean U	p and Test, re	place Non-Operational Valve	10,000	Carryover		10,000
	Steel Tank Inspection - Tank (Alta Sonoma/Sweet William)			10,000	Carryover		10,000
	Wood Tank Insp	ection		10,000	Carryover	15,000	(5,000
	Logistics & Optir	mization for G	enerator deployment				
	Ongoing Mainte	nance		30,000		13,070	16,930
	Conservation Corps - Fuel Reduction		uction			10,692	(10,692
	Meter Replacements					7,104	(7,104
	Hydrant Replace	ments					
	Chlorination Sys	tem at Well #	3				
			Subtotal	76,000	-	- 45,865	30,135
Replace	ment Fund - Cap Ex	<b>C</b>					
	Pipeline Replace	ement Project					
	Spent			1,500,000		175,787	1,324,213
	Funded v	ia Loan		(750,000)		-	(750,000
	Interest on Loan			19,875		-	19,875
	Reimburs	sed		(428,566)		(156,569)	(271,997
		Net		341,309		19,218	322,091
GRAND.	TOTAL			417,309		65,083	352,226

## **2023 Financial Report**

- Our Reviewed Financial report for last year has been finalized and will be posted on the website for members
- The only significant change from the Prior Year is an Accounts Payable balance of \$64k (normally \$1k)
  - This balance was entirely due to B&R invoices that were unpaid at year end, pending State reimbursement for the Pipeline Replacement Project
  - State reimbursement was received after 12/31 and the B&R invoices were paid in full

## **Budget Prep for 2024**

- Finance Subcommittee will meet in Q4
  - Review October financials after the final water billing
  - Develop a Budget recommendation to submit to the Board for the December meeting
- Special Consideration
  - To be consistent with Financial Reporting guidelines, Repairs and Maintenance will largely move out of Operations and into Replacement Funds/Cap Ex