Agenda Item 7A

Page Intentionally Blank

November 10, 2026
Agenda Item: 7A

DONNER SUMMIT PUBLIC UTILITY DISTRICT

STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, CSDM General Manager SP

SUBJECT: First Quarter Budget to Actual Report

RECOMMENDATION

Receive FY2026-2027 budget to actual report for the current fiscal year through September 30, 2026.

BACKGROUND

To provide timely information to the Board and the public, this report provides a comparison of the approved operating budget to actual revenues and expenditures for the first three months of Fiscal Year 2026-2027. The comparison is presented in Attachment 1, and any material differences are discussed in this Staff Report.

DISCUSSION

Expenses

As of the end of the first quarter, total expenses are at 19% of the budgeted amount, below the 25% benchmark for this point in the fiscal year. Specifically, water expenses are at 17%, sewer expenses at 24%, wastewater treatment expenses at 16%, and administration expenses at 28%. The lower overall expenses are primarily due to the timing of capital project costs and debt service payments, including the annual wastewater treatment plant loan payment, which have not yet occurred. After excluding capital and debt service, operating expenses are at 23% of the budgeted amount. Overall, expenses appear to be within the expected range for this time in the fiscal year, with the exceptions discussed below.

Sludge removal expenses at the wastewater treatment plant are shown in Attachment 1 as $67,121. This amount includes $33,509 in rental equipment expenses that were charged to sludge removal instead of small equipment and rental, and these expenses will be reclassified. After the correction, sludge removal expenses are $33,612, or 97% of the annual budget of $34,730. Small equipment and rental expenses will increase to $56,075, or 74% of the annual budget of $75,350. Sludge removal is complete for this fiscal year, and no additional sludge removal expenses are expected. Only minor expenses are expected in small equipment and rental.

Sewer operating expenses are at 37% of the budgeted amount, primarily due to the Infiltration and Inflow program, which has expended $32,564, or 93% of its $35,000 annual budget. That program is complete for this fiscal year and no additional expenses are expected. Excluding the Infiltration and Inflow program, sewer operating expenses are at 27% of the budgeted amount.

Professional fees are higher than expected in water at 38% of budget and in administration at 58% of budget. Administration dues and subscriptions are at 58% of budget, reflecting annual

renewals paid early in the fiscal year. Expenditures in these categories are not linear, so this is not necessarily an indication of the need for a budget adjustment.

Revenue

Revenue is also aligning with expected ranges, with total program revenue at 29% of the budgeted amount. Water fees are at 27% and sewer fees are at 31% of budget. One notable exception is sewer connection fees, which total $183,088 and were not included in the budget. It is important to note that fees are recorded as revenue when bills are prepared, and the amounts shown do not reflect the amount collected. Recycled water sales and non-CFD revenue for the wastewater treatment plant loan have not yet been billed.

Recycled water sales and non-CFD revenue for the WWTP loan have not yet been received.

FISCAL IMPACT

All expenses and revenues are within expected ranges and a budget amendment is not needed at this time. Staff will continue to monitor and will return to the Board with a budget amendment if needed. There is no fiscal impact at this time.

CEQA ASSESSMENT

This is not a CEQA Project.

ATTACHMENTS

1. September 30, 2026, FY2026-2027 Budget to Actual Comparison
2. Presentation

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
COMBINED BUSINESS-TYPE ACTIVITIES
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

	Water	Sewer	Treatment	Admin	Total
Program Revenue					
Water fees	$ 237,183.70	$ -	$ -	$ -	$ 237,183.70
Sewer fees	-	170,742.70	512,228.12	-	682,970.82
Connection fees	3,400.00	183,087.93	-	-	186,487.93
Recycled water sales	-	-	233.05	-	233.05
Non-CFD revenue for WWTP loan	-	-	-	-	-
Sierra Lakes service	-	-	188,520.51	-	188,520.51
Big Bend service fees	7,770.00	-	-	-	7,770.00
Big Bend assessment	-	-	-	-	-
Total Program Revenue	248,353.70	353,830.63	700,981.68	-	1,303,166.01
Expenses					
Salaries-operations	30,227.17	8,182.90	120,759.28	71,882.66	231,052.01
Overtime	413.95	108.93	1,655.83	-	2,178.71
Employee benefits and taxes	11,595.27	8,095.03	34,494.46	15,233.27	69,418.03
Board expense	-	-	-	27,009.32	27,009.32
Professional fees	30,985.12	-	4,968.54	62,155.33	98,108.99
Dues and subscriptions	300.00	-	173.67	8,644.75	9,118.42
Fees, permits, certifications, leases	113.03	-	233.00	4,744.51	5,090.54
Training, education, travel	225.00	-	351.85	1,040.74	1,617.59
Insurance	15,832.80	13,313.97	42,820.56	3,787.77	75,755.10
Office supplies and miscellaneous	-	669.61	22.89	3,271.86	3,964.36
Utilities, communications, telemetry	9,860.39	6,008.98	72,496.82	(656.16)	87,710.03
Chemicals and lab supplies	5,596.21	-	44,073.87	-	49,670.08
Laboratory testing	2,311.00	-	12,332.36	-	14,643.36
Equipment maintenance and repair	1,908.28	1,177.39	25,288.63	-	28,374.30
Small equipment and rental	-	-	22,566.63	-	22,566.63
Operating supplies	-	-	10.89	108.95	119.84
Sludge removal	-	-	67,120.76	-	67,120.76
Vehicle maintenance, repair, fuel	4,391.06	**4,391.09**	118.00	-	8,900.15
Infiltration and inflow program	-	32,563.95	-	-	32,563.95
Facility maintenance and repair	8,670.57	10,812.00	9,463.30	700.25	29,646.12
Amortization of land lease	-	-	5,943.24	-	5,943.24
Debt service	-	-	-	-	-
Capital equipment	6,177.21	-	45,765.23	-	51,942.44
Capital projects	9,145.00	-	-	-	9,145.00
Total Expenses	137,752.06	85,323.85	510,659.81	197,923.25	931,658.97
Excess (Deficiency) of Program Revenues Over Expenses	110,601.64	268,506.78	190,321.87	(197,923.25)	371,507.04
General Revenues					
Interest revenue	-	-	-	6,509.60	6,509.60
CFD revenue for WWTP loan	-	-	-	-	-
Property tax	10,812.44	-	-	-	10,812.44
Other income	-	-	11,038.34	307.59	11,345.93
Grants	-	-	-	-	-
Total General Revenues	10,812.44	-	11,038.34	6,817.19	28,667.97
Increase (Decrease) in Net Position	$ 121,414.08	$ 268,506.78	$ 201,360.21	$ (191,106.06)	$ 400,175.01
Net Position, Beginning of Year					13,549,204.14
Net Position, End of Period					$ 13,949,379.15

See independent accountants' compilation report

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - WATER
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

	Actual Year to Date 9/30/26	Budget Total Fiscal Year 2027	Budget Percent Complete 9/30/26	Remaining Budget 9/30/26
Program Revenue				
Water fees	$ 237,183.70	$ 866,000.00	27.39%	$ (628,816.30)
Connection fees	3,400.00	-	0.00%	3,400.00
Big Bend service fees	7,770.00	31,546.00	24.63%	(23,776.00)
Big Bend assessment	-	20,772.00	0.00%	(20,772.00)
Total Program Revenue	248,353.70	918,318.00	27.04%	(669,964.30)
Expenses				
Salaries-operations	30,227.17	126,231.00	23.95%	96,003.83
Overtime	413.95	7,555.00	5.48%	7,141.05
Employee benefits and taxes	11,595.27	55,216.00	21.00%	43,620.73
Professional fees	30,985.12	80,700.00	38.40%	49,714.88
Dues and subscriptions	300.00	680.00	44.12%	380.00
Fees, permits, certifications, leases	113.03	18,580.00	0.61%	18,466.97
Training, education, travel	225.00	4,000.00	5.63%	3,775.00
Insurance	15,832.80	71,060.00	22.28%	55,227.20
Office supplies and miscellaneous	-	550.00	0.00%	550.00
Utilities, communications, telemetry	9,860.39	62,891.00	15.68%	53,030.61
Chemicals and lab supplies	5,596.21	40,700.00	13.75%	35,103.79
Laboratory testing	2,311.00	6,525.00	35.42%	4,214.00
Equipment maintenance and repair	1,908.28	6,400.00	29.82%	4,491.72
Small equipment and rental	-	25,500.00	0.00%	25,500.00
Operating supplies	-	740.00	0.00%	740.00
Vehicle maintenance, repair, fuel	4,391.06	4,100.00	107.10%	(291.06)
Facility maintenance and repair	8,670.57	39,463.00	21.97%	30,792.43
Angela WTP loan principal and interest	-	18,188.00	0.00%	18,188.00
Big Bend debt service	-	19,970.00	0.00%	19,970.00
Capital equipment	6,177.21	26,000.00	23.76%	19,822.79
Capital projects	9,145.00	200,000.00	4.57%	190,855.00
Total Expenses	137,752.06	815,049.00	16.90%	677,296.94
Excess (Deficiency) of Program Revenues Over Expenses	110,601.64	103,269.00	107.10%	7,332.64
General Revenues				
Property tax	10,812.44	143,620.00	7.53%	(132,807.56)
Grants	-	132,000.00	0.00%	(132,000.00)
Total General Revenues	10,812.44	275,620.00	3.92%	(264,807.56)
Increase (Decrease) in Net Position	$ 121,414.08	$ 378,889.00	32.04%	$ (257,474.92)

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - SEWER
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

	Actual Year to Date 9/30/26	Budget Total Fiscal Year 2027	Budget Percent Complete 9/30/26	Remaining Budget 9/30/26
Program Revenue				
Sewer fees	$ 170,742.70	$ 555,120.00	30.76%	$ (384,377.30)
Connection fees	183,087.93	-	0.00%	183,087.93
Total Program Revenue	353,830.63	555,120.00	63.74%	(201,289.37)
Expenses				
Salaries-operations	8,182.90	32,807.00	24.94%	24,624.10
Overtime	108.93	1,988.00	5.48%	1,879.07
Employee benefits and taxes	8,095.03	15,799.00	51.24%	7,703.97
Professional fees	-	1,000.00	0.00%	1,000.00
Fees, permits, certifications, leases	-	4,460.00	0.00%	4,460.00
Training, education and travel	-	300.00	0.00%	300.00
Insurance	13,313.97	59,755.00	22.28%	46,441.03
Office supplies and miscellaneous	669.61	550.00	121.75%	(119.61)
Utilities, communications, telemetry	6,008.98	33,230.00	18.08%	27,221.02
Chemicals and lab supplies	-	5,070.00	0.00%	5,070.00
Small equipment and rental	-	8,000.00	0.00%	8,000.00
Operating supplies	-	1,200.00	0.00%	1,200.00
Infiltration and inflow program	32,563.95	35,000.00	93.04%	2,436.05
Equipment maintenance and repair	1,177.39	1,223.00	96.27%	45.61
Vehicle maintenance, repair, fuel	4,391.09	12,200.00	35.99%	7,808.91
Facility maintenance and repair	10,812.00	15,060.00	71.79%	4,248.00
Capital equipment	-	21,000.00	0.00%	21,000.00
Capital projects	-	104,000.00	0.00%	104,000.00
Total Expenses	85,323.85	352,642.00	24.20%	267,318.15
Excess (Deficiency) of Program Revenues Over Expenses	268,506.78	202,478.00	132.61%	66,028.78
General Revenues				
Property tax	-	-	0.00%	-
Total General Revenues	-	-	0.00%	-
Increase (Decrease) in Net Position	$ 268,506.78	$ 202,478.00	132.61%	$ 66,028.78

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - WASTEWATER TREATMENT
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

	Actual Year to Date 9/30/26	Budget Total Fiscal Year 2027	Budget Percent Complete 9/30/26	Remaining Budget 9/30/26
Program Revenue				
Sewer fees	$ 512,228.12	$ 1,757,880.00	29.14%	$ (1,245,651.88)
Recycled water sales	233.05	80,000.00	0.29%	(79,766.95)
Non-CFD revenue for WWTP loan	-	418,160.00	0.00%	(418,160.00)
Sierra Lakes service	188,520.51	786,790.00	23.96%	(598,269.49)
Total Program Revenue	700,981.68	3,042,830.00	23.04%	(2,341,848.32)
Expenses				
Salaries-operations	120,759.28	500,313.00	24.14%	379,553.72
Overtime	1,655.83	30,217.00	5.48%	28,561.17
Employee benefits and taxes	34,494.46	241,584.00	14.28%	207,089.54
Professional fees	4,968.54	58,000.00	8.57%	53,031.46
Dues and subscriptions	173.67	3,012.00	5.77%	2,838.33
Fees, permits, certifications, leases	233.00	61,600.00	0.38%	61,367.00
Training, education, travel	351.85	11,500.00	3.06%	11,148.15
Insurance	42,820.56	192,185.00	22.28%	149,364.44
Office supplies and miscellaneous	22.89	400.00	5.72%	377.11
Utilities, communications, telemetry	72,496.82	446,205.00	16.25%	373,708.18
Chemicals and lab supplies	44,073.87	250,000.00	17.63%	205,926.13
Laboratory testing	12,332.36	30,751.00	40.10%	18,418.64
Small equipment and rental	22,566.63	75,350.00	29.95%	52,783.37
Operating supplies	10.89	740.00	1.47%	729.11
Equipment maintenance and repair	25,288.63	246,713.00	10.25%	221,424.37
Vehicle maintenance, repair, fuel	118.00	7,900.00	1.49%	7,782.00
Sludge removal	67,120.76	34,730.00	193.26%	(32,390.76)
Facility maintenance and repair	9,463.30	72,440.00	13.06%	62,976.70
Amortization of land lease	5,943.24	23,773.00	25.00%	17,829.76
WWTP loan	-	719,191.00	0.00%	719,191.00
Capital equipment	45,765.23	110,500.00	41.42%	64,734.77
Total Expenses	510,659.81	3,117,104.00	16.38%	2,606,444.19
Excess (Deficiency) of Program Revenues Over Expenses	190,321.87	(74,274.00)	-256.24%	264,595.87
General Revenues				
CFD revenue for WWTP loan	-	290,593.00	0.00%	(290,593.00)
Total General Revenues	11,038.34	290,593.00	3.80%	(279,554.66)
Increase (Decrease) in Net Position	$ 201,360.21	$ 216,319.00	93.08%	$ 14,958.79

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - ADMIN
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

	Actual Year to Date 9/30/26	Budget Total Fiscal Year 2027	Budget Percent Complete 9/30/26	Remaining Budget 9/30/26
Program Revenue				
Service Fees	$ -	$ -	-	$ -
Total Program Revenue	-	-	-	-
Expenses				
Salaries-operations	71,882.66	262,266.00	27.41%	190,383.34
Employee benefits and taxes	15,233.27	142,136.00	10.72%	126,902.73
Board expense	27,009.32	79,733.00	33.87%	52,723.68
Professional fees	62,155.33	107,300.00	57.93%	45,144.67
Dues and subscriptions	8,644.75	15,000.00	57.63%	6,355.25
Fees, permits, certifications, leases	4,744.51	16,300.00	29.11%	11,555.49
Training, education, travel	1,040.74	3,000.00	34.69%	1,959.26
Insurance	3,787.77	17,000.00	22.28%	13,212.23
Office supplies and miscellaneous	3,271.86	9,000.00	36.35%	5,728.14
Utilities, communications, telemetry	(656.16)	54,830.00	-1.20%	55,486.16
Operating supplies	108.95	2,700.00	4.04%	2,591.05
Facility maintenance and repair	700.25	8,780.00	7.98%	8,079.75
Total Expenses	197,923.25	718,045.00	27.56%	520,121.75
Deficiency of Program Revenues Over Expenses	(197,923.25)	(718,045.00)	27.56%	520,121.75
General Revenues				
Interest revenue	6,509.60	20,000.00	32.55%	(13,490.40)
Other income	307.59	2,000.00	15.38%	(1,692.41)
Total General Revenues	6,817.19	22,000.00	30.99%	(15,182.81)
Decrease in Net Position	$ (191,106.06)	$ (696,045.00)	27.46%	$ 504,938.94

DONNER SUMMIT
PUBLIC UTILITY DISTRICT

First Quarter FY2026-2027 Budget to Actual

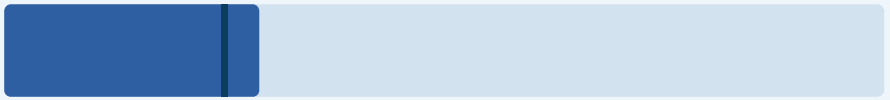
November 10, 2026 · Donner Summit Public Utility District

EST. 1947

First Quarter at a Glance

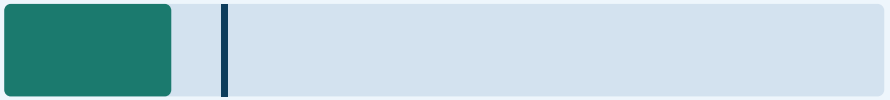
25% first-quarter benchmark · bars show percent of annual budget used

Program revenue
$1,303,166 of $4,516,268



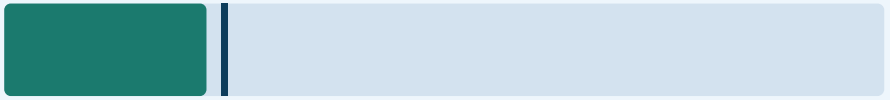
29%

Total expenses
$931,659 of $5,002,840



19%

Operating expenses
Excluding capital and debt

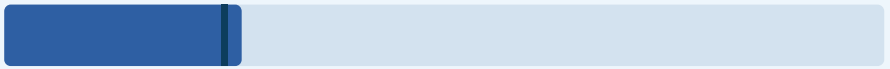


23%

Revenue by Department

25% first-quarter benchmark · bars show percent of annual budget used

Water
$248,354 of $918,318



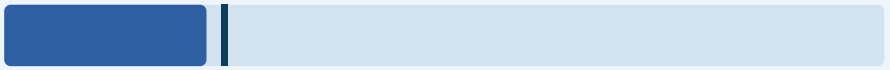
27%

Sewer
$353,831 of $555,120



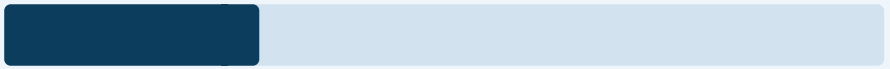
64%

Wastewater Treatment
$700,982 of $3,042,830



23%

Total
$1,303,166 of $4,516,268



29%

Revenue Notes

$183,088

Sewer connection fees

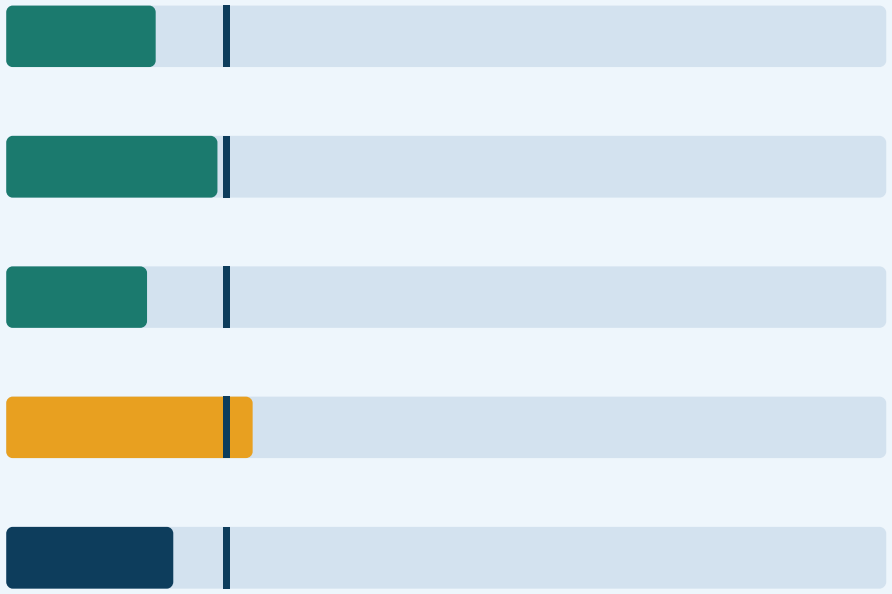
Not included in the budget

Revenue is recorded when billed

Recycled water and loan revenue not yet billed

Expenses by Department

25% first-quarter benchmark · bars show percent of annual budget used



Water
$137,752 of $815,049
17%

Sewer
$85,324 of $352,642
24%

Wastewater Treatment
$510,660 of $3,117,104
16%

Administration
$197,923 of $718,045
28%

Total
$931,659 of $5,002,840
19%

Sludge Removal Reclassification

$33,509 in rental charges moved to small equipment and rental

Sludge removal

~~193%~~ → **97%**

$33,612 of $34,730 budget

Small equipment and rental

~~30%~~ → **74%**

$56,075 of $75,350 budget

Sludge removal is complete for the year

Items Ahead of Pace

25% first-quarter benchmark · bars show percent of annual budget used

Infiltration & Inflow
$32,564 of $35,000 · complete



93%

Admin professional fees
$62,155 of $107,300



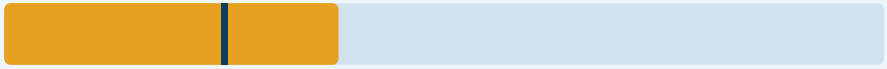
58%

Admin dues & subscriptions
$8,645 of $15,000 · renewals



58%

Water professional fees
$30,985 of $80,700



38%

Fiscal Impact

- **Within expected ranges**
- **No budget amendment needed**