

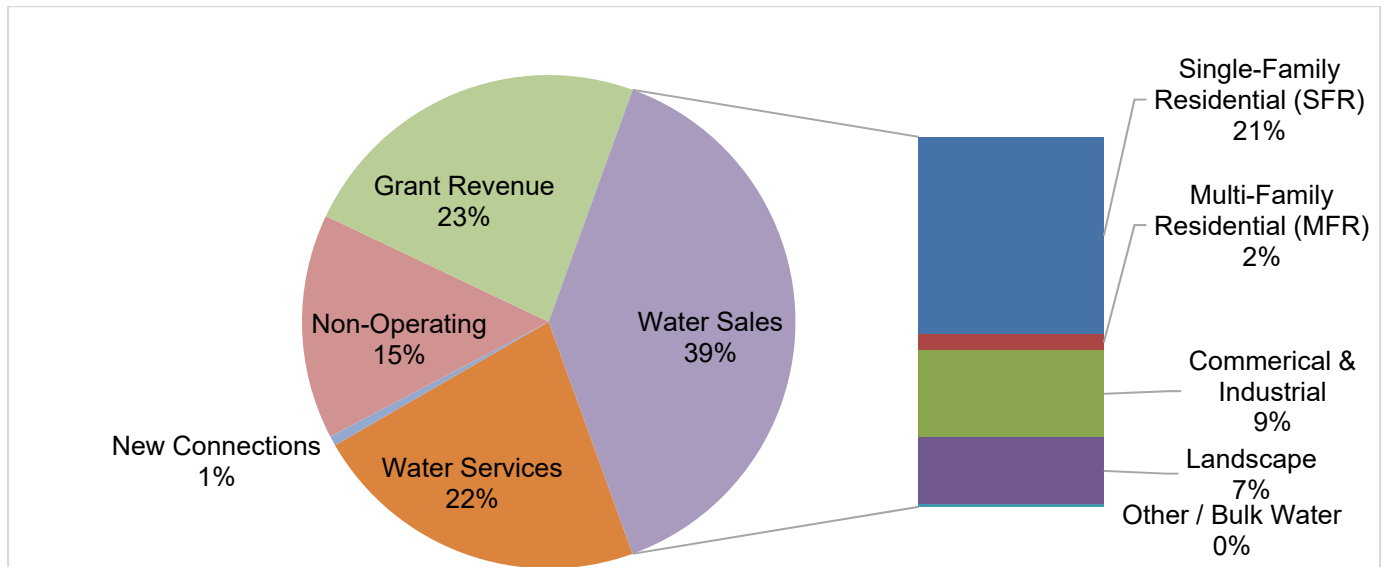


FY 2026 – Q1 Financial Report

July 1, 2025 – September 30, 2025

Revenues

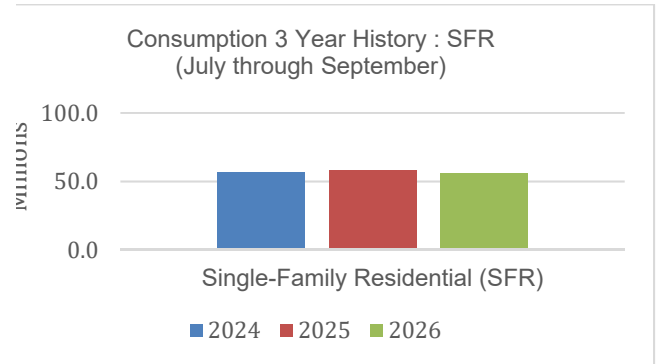
Scotts Valley Water District revenues come from four main sources: Water Sales, Water Services (Basic Service Charge), New Connections, and Non-Operating*.



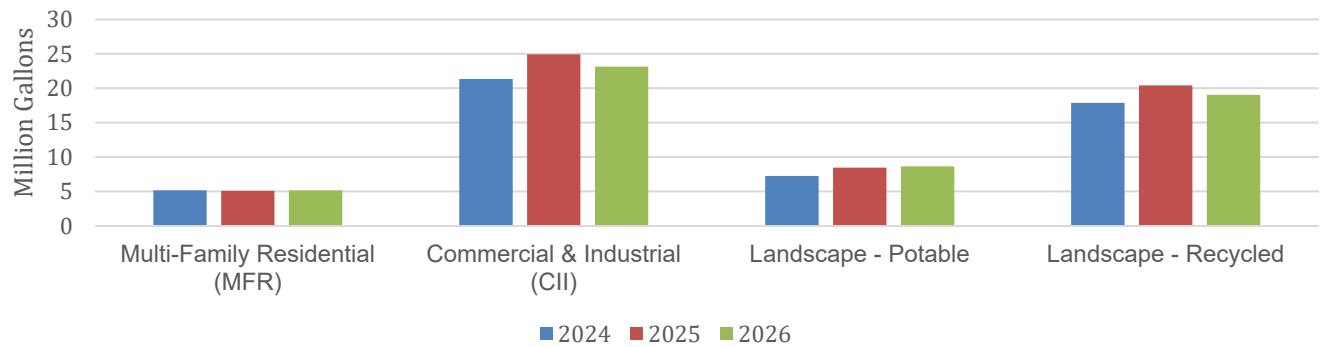
The District's largest operating revenue category is Single Family Residential (SFR) Water Sales. Revenue in the SFR category for the period July through September is up 0.8% from prior year.

Consumption

Water consumption by SFR customers in the first quarter is 56 million gallons, down 2 million gallons or 3.8% from the same period in FY 2025.

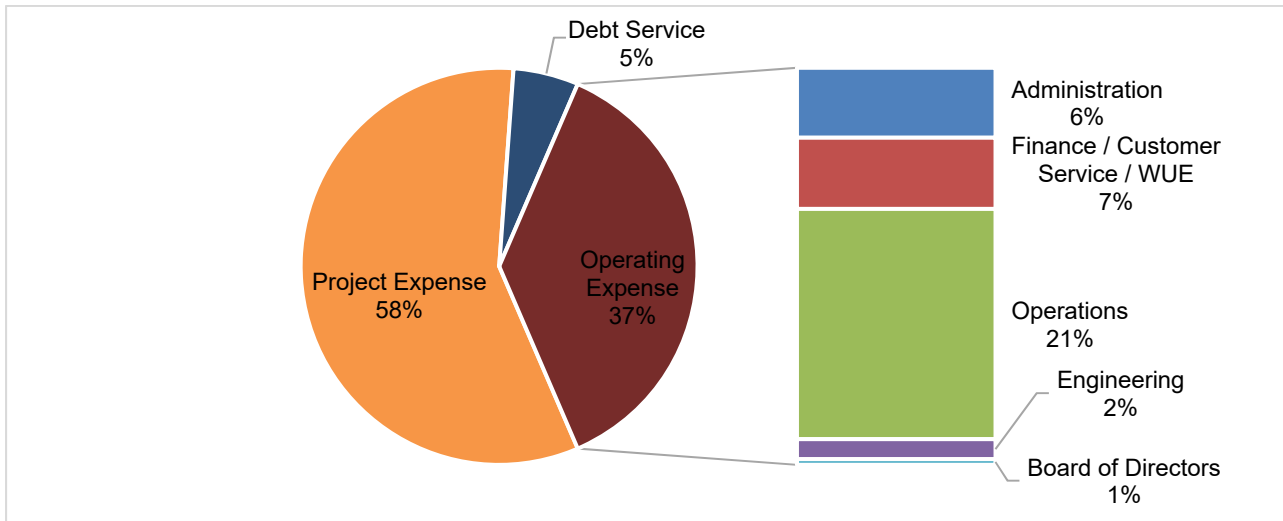


Consumption 3 Year History : MFR, CII, Landscape (July through September)

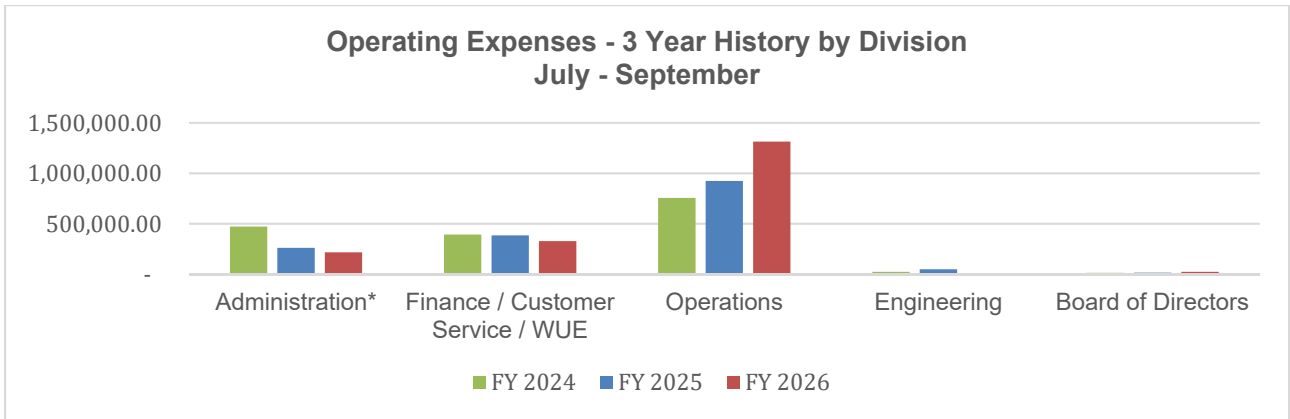


Expenses

District expenses are comprised of three major categories: Operating Expenses, Project Expenses, and Debt Service. The chart below presents the FY 2026 Budget by expense category, with Operating Expenses broken down by Division*.



Operating expenses are the organization’s largest expense category. District operating expenses reflect the cost of providing uninterrupted high-quality water service across the service area. Operating expenses in Q1 of FY 2026, which accounts for activity from July through September of 2025, are tracking in-line with the budget. Total operating expenses in FY 2026 are higher than the FY 2025 total for the same period by 15.9% due to water main maintenance and repair expenses. The chart below compares Operating Expenditures by Division for each of the past three fiscal years. The Administration Division tracks lower in FY 2025 due to the timing of the annual contribution to Santa Margarita Groundwater Agency.

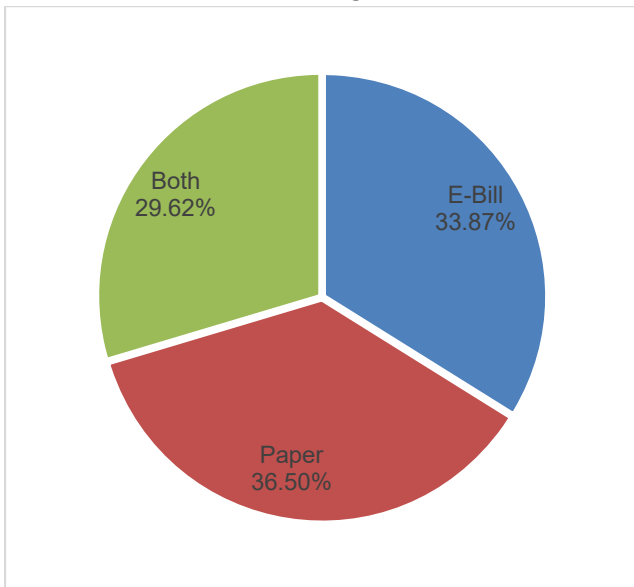


Customer Accounts

The charts below provide additional information on how customers interact with the District.

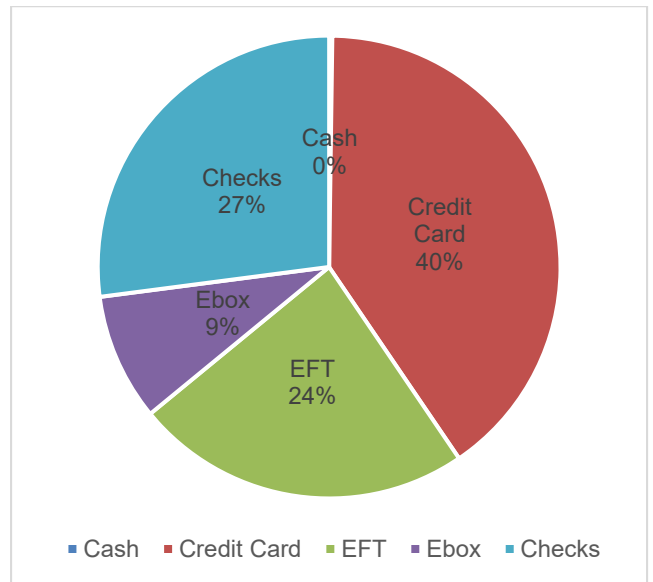
Total Accounts: 4,590

How do customers RECEIVE their bill?



	Q4 (FY25)	Q1 (FY26)	change
E-Bill	32.8%	33.9%	1.1%
Paper	37.6%	36.5%	-1.1%
Both	29.7%	29.6%	0.0%

How do customers PAY their bill?



	Q4 FY25	Q1 FY26	change
Credit Card	44.8%	40.3%	-4.6%
EFT	20.0%	23.6%	3.5%
Ebox	9.4%	8.9%	-0.5%
Checks	25.4%	27.1%	1.6%

Delinquent Accounts

Billing
July
August
September

Reminder		
Date	Accounts	Emails
8/5/2025	411	352
9/5/2025	414	340
10/6/2025	326	326

Late Payment Penalty		
Date	Accounts	Past Due Balance
8/6/2025	301	80140.27
9/8/2025	276	101899.24
10/7/2025	308	85658.06

Rebates

Rebates Processed # of Rebates Total Amount
FY 2026 (July 2025 – September 2025)

FY 2025 (July 2024 – September 2024)

Lawn Removal	2/1	\$4,050/\$4,208
Low Volume Irrigation	0/0	\$0/\$0
Toilet Replacement	6/4	\$530/\$400
Pressure Regulators	4/4	\$430/\$400
Pool Covers	4/0	\$2,200/\$0
Smart Controllers	0/1	\$0/\$100

Rebates / Give-Away Summary

Rebates	Rebate Offerings	Accounts	Units/ Gals/ Sq. ft	Cost	Water Savings gal/year	Gallons Saved per \$ Spent
High-Efficiency Toilet	\$50-\$150	4	4	\$400	2,190	5.48
Lawn Removal	\$2.00 / sq.ft.	1	2,104	\$4,208	37,450	8.90
Pool Covers	50% up to \$1,000	0	0	\$3,310	0	-
Smart Irrigation Controller	\$100	1	1	\$100	7,500	75.00
Totals		6		\$8,018	47,140	5.88
Give Aways						
Shower Head	Free	2	2	0	.7 gpm	
Faucet Aerator	Free	1	2	0	1.45 gpm	
Hose Timers	Free	1	1	0	Prevents	
Shut Off Nozzle	Free	3	3	0	waste	