

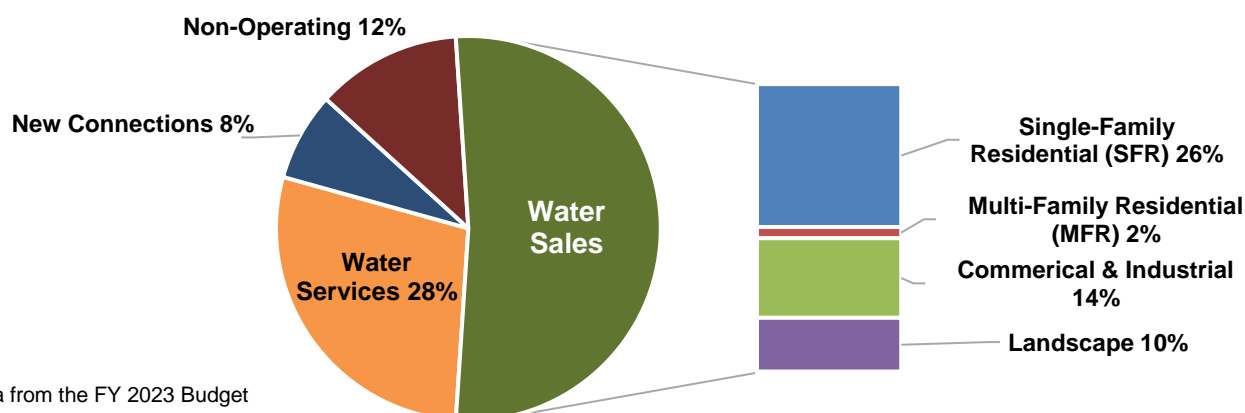


FY 2023 – Q2 Financial Report

July 1, 2022 – December 31, 2022

Revenues

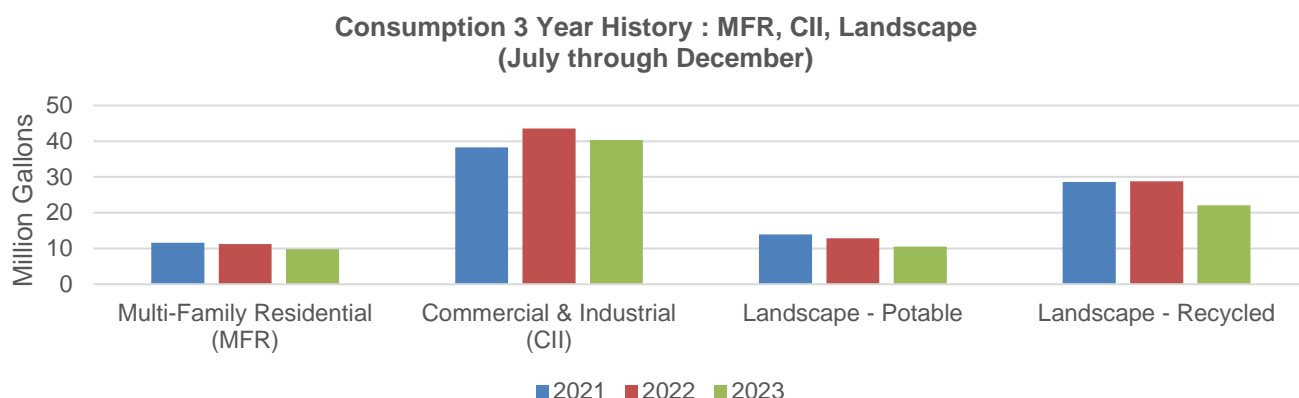
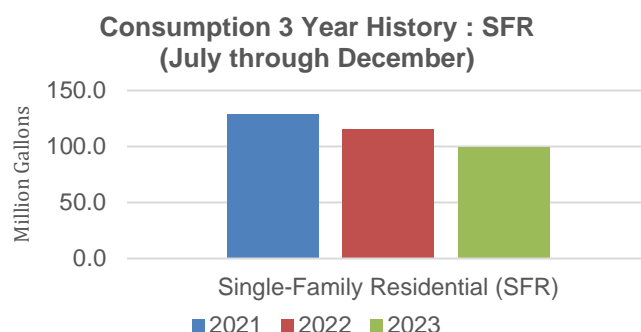
Scotts Valley Water District revenues come from four main sources: Water Sales, Water Services (Basic Service Charge), New Connections, and Non-Operating*.



The District's largest revenue category is Single Family Residential (SFR) Water Sales. Revenue in the SFR category for the period of July through December is flat from the same period in the prior year. Revenue includes drought surcharges.

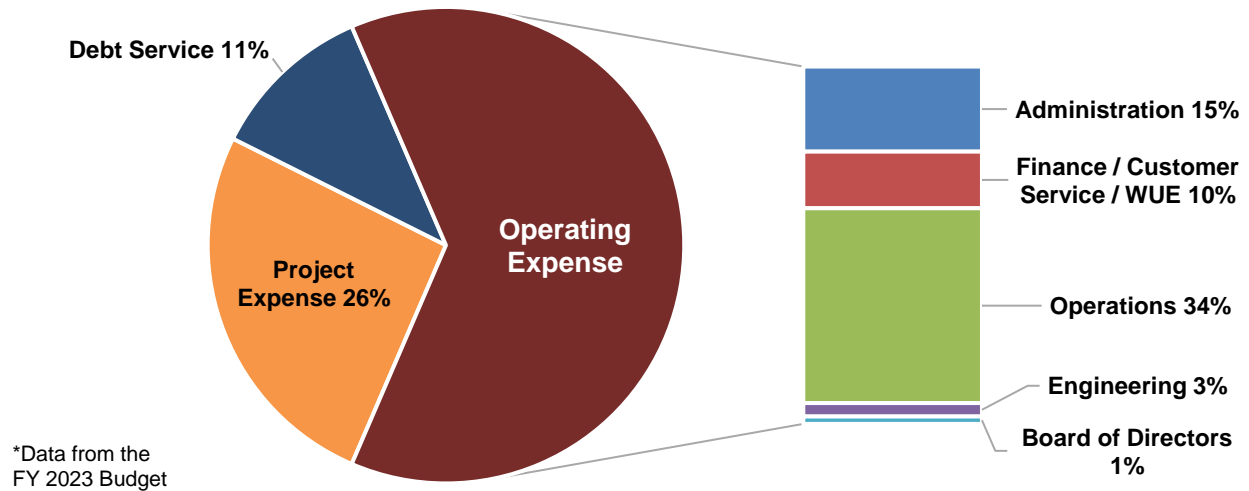
Consumption

Water consumption by SFR customers through the second quarter is 99 million gallons, down 16.4 million gallons or 14.1% from FY 2022.



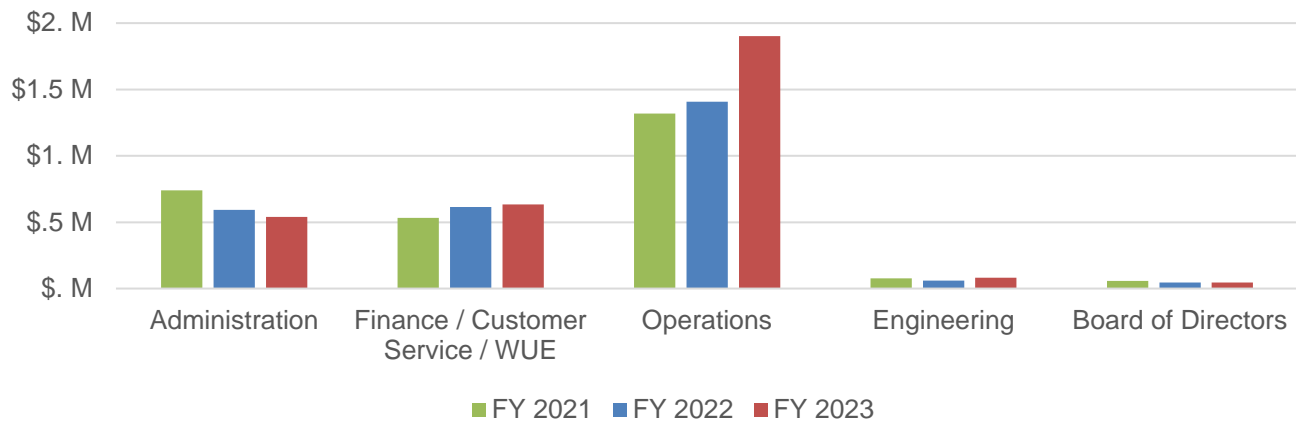
Expenses

District expenses are comprised of three major categories: Operating Expenses, Project Expenses, and Debt Service. The chart below presents the FY 2023 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 through Q2 of FY 2023, which accounts for activity from July 2022 through December 2022, are tracking in line with the budget. Total operating expenses in FY 2023 exceed the FY 2022 total for the same period by 17.8%, due to one-time costs in the Operations Division for well maintenance and main maintenance services. The chart below compares Operating Expenditures by Division for each of the past three fiscal years.

**Operating Expenses 3 Year History by Division
July - December**

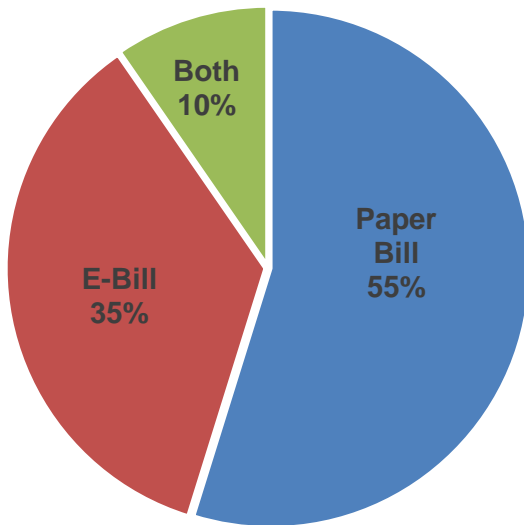


Customer Accounts

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

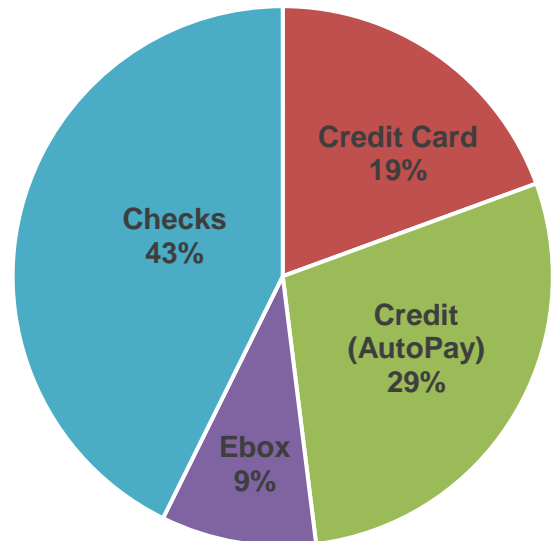
Total Accounts: 4,498

How do customers RECEIVE their bill?



	FY23 Q1	FY 23 Q2	change
Paper Bill	0.57	0.55	(0.02)
E-Bill	0.34	0.36	0.02
Both	0.09	0.09	0.00

How do customers PAY their bill?



	FY 23 Q1	FY 23 Q2	change
Credit Card	0.19	0.19	0.00
Credit (AutoPay)	0.27	0.29	0.02
Ebox	0.10	0.09	(0.01)
Checks	0.44	0.43	(0.01)

Delinquent Accounts

Billing	Reminder			Late Payment Penalty		
	Date	Accounts	Emails	Date	Accounts	Past Due Balance
July	4-Aug	573	448	9-Aug	274	\$ 70,186.54
August	1-Sep		597	7-Sep	355	\$ 149,396.64
Sept	4-Oct	596	450	6-Oct	363	\$ 174,599.80
October	4-Nov	507	395	8-Nov	250	\$ 89,139.28
November	2-Dec	754	527	6-Dec	327	\$ 130,299.44
December	4-Jan	565	438	9-Jan	336	\$ 106,069.04

Rebates

Rebates Processed	# of Rebates	Total Amount
Prior Year (July 2021 – Dec 2021) in blue		
Lawn Removal	34/16	\$30,037/\$23,745
Low Volume Irrigation	6/0	\$60/\$0
Toilet Replacement	28/9	\$2,350/\$850
Pressure Regulators	12/7	\$595/\$400
Pool Covers	7/1	\$877/\$121
Smart Controllers	3/4	\$300/\$391
Small Stream Sprayers	0/0	\$0/\$0
Greywater Harvesting	0/0	\$0/\$0
Rainwater Harvesting	0/0	\$0/\$0
Downspout Diversion	2/0	\$150/\$0
Hardscape Replacement	0/0	\$0/\$0

Rebates / Give-Away Summary						
Rebate/Give Away	Rebate Offerings	Accounts	Units/Gals/ Sq. ft	Cost	Water Savings gal/year	Gallons Saved per \$ Spent
High-Efficiency Toilet	\$25-\$125	9	9	\$850	28,644	33
Lawn Removal	\$2.00 / sq. ft	16	12,128	\$23,869	215,869	9
Low Volume Irrigation	\$0.50 / sq. ft	0	0	\$0	0	0
Smart Irrigation Controller	\$100	3	3	\$391	32,160	41
Shower Head	Free		15	0	.7 gpm	Average gallons saved per \$ spent
Faucet Aerator	Free		38	0	1.45 gpm	
Shut Off Nozzle	Free		18	0	Prevents waste	
Totals		28		\$24,986	276,673	11.1