



# Official Memorandum

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**TO:** Pablo Arroyave, Chief Operating Officer

**FROM:** Raymond Tarka, Director of Finance  
Darlene Neves, Accounting Supervisor

**DATES:** 02.02.26 FAC and 02.05.26 BOD

**RE:** FY26 O&M Budget to Actual Report Through December 31, 2025

2025 Water Year (FY 3/1/24-2/28/25 attachment 1

Self-Funding actual expenses (paid and pending) for SLDMWA Routine O&M through December 31, 2025 are under budget by \$1,021,801, or 5.4 %. This favorable variance is the result of timing differences for O&M expenses in all cost pools except for the DCI Conveyance Pool, which is \$593,998 over budget. DCI Conveyance Costs continue to trend over budget as a result of rate increases and is expected to continue to exceed budget throughout the remainder of the fiscal year.

2022 Water Year (FY 3/1/22-2/28/23)

With the completion of the FY23 Audit, staff has completed the final accounting for Water Year 2022. Final Accountings refunds were sent out to members on January 27, 2026.

Intertie Conveyance Cost Update

On April 23, 2025 Staff was advised by DWR that the FY26 conveyance charges for water movement from the DCI to O'Neill Forebay have been revised to include a capital component. The new conveyance rate for the current year is \$ 32.66 per acre-foot. This is an increase of \$3.93 (14%) over the previous rate used in WY25 rate setting. In addition to the current year rate change, DWR advised us in letters dated June and September, 2025 of revisions to their conveyance charges for Calendar year 2024 totaling an additional \$1.07 per Acre-Foot. The change increased conveyance costs for FY24 by \$114,415, and \$905,498 for FY25.

Outstanding

Audited Financial Statements FY2024 & FY2025

Staff is working toward completing the FY2024 and FY2025 as soon as possible and have begun providing the auditors with the necessary information.



**San Luis & Delta Mendota-Water Authority**  
**FY26 O&M Budget to Actual Report**  
**02.02.26 FAC and 02.05.26 BOD**

**ANNUAL R, O&M BUDGET BY COST POOLS MARCH 1, 2025 - FEBRUARY 28, 2026**

|                    | Total                | UPPER                | Intertie            | Volta Wells      | LWR/POOL            | O'NEILL O&M         |                   |                   |
|--------------------|----------------------|----------------------|---------------------|------------------|---------------------|---------------------|-------------------|-------------------|
|                    |                      |                      |                     |                  |                     | DIRECT              | STORAGE           | SL DRAIN          |
| DMC                | \$ 9,181,247         | \$ 5,539,964         |                     |                  | \$ 3,641,283        |                     |                   |                   |
| JPP                | \$ 5,118,006         | \$ 5,489,363         |                     |                  |                     |                     |                   |                   |
| WW                 | \$ 138,430           | \$ 103,823           |                     |                  | \$ 34,609           |                     |                   |                   |
| Intertie O&M       | \$ 571,255           | \$ 571,255           |                     |                  |                     |                     |                   |                   |
| DCI DWR Conveyance | \$ 3,519,425         |                      | \$ 3,519,425        |                  |                     |                     |                   |                   |
| Volta Wells        | \$ 31,810            |                      |                     | \$ 69,935        |                     |                     |                   |                   |
| Mendota Pool       | \$ 226,779           |                      |                     |                  | \$ 226,779          |                     |                   |                   |
| O'Neill            | \$ 3,783,275         |                      |                     |                  |                     | \$ 2,988,787        | \$ 794,487.75     |                   |
| SL Drain           | \$ 180,904           |                      |                     |                  |                     |                     |                   | \$ 245,213        |
|                    | <u>\$ 22,751,131</u> | <u>\$ 11,704,405</u> | <u>\$ 3,519,425</u> | <u>\$ 69,935</u> | <u>\$ 3,902,670</u> | <u>\$ 2,988,787</u> | <u>\$ 794,488</u> | <u>\$ 245,213</u> |
| O&M                | \$ 19,231,706        |                      |                     |                  |                     |                     |                   |                   |
| DCI DWR Conveyance | \$ 3,519,425         |                      |                     |                  |                     |                     |                   |                   |

**R, O&M BUDGET BY COST POOLS THROUGH: DECEMBER 31, 2025**  
83.33%

|                    | Total                | UPPER               | Intertie            | Volta Wells      | LWR                 | O'NEILL O&M         |                   |                   |
|--------------------|----------------------|---------------------|---------------------|------------------|---------------------|---------------------|-------------------|-------------------|
|                    |                      |                     |                     |                  |                     | DIRECT              | STORAGE           | SL DRAIN          |
| DMC                | \$ 7,651,039         | \$ 4,616,637        |                     |                  | \$ 3,034,402        |                     |                   |                   |
| JPP                | \$ 4,265,005         | \$ 4,265,005        |                     |                  |                     |                     |                   |                   |
| WW                 | \$ 115,358           | \$ 86,519           |                     |                  | \$ 28,840           |                     |                   |                   |
| Intertie O&M       | \$ 476,046           |                     | \$ 476,046          |                  |                     |                     |                   |                   |
| DCI DWR Conveyance | \$ 2,932,854         |                     | \$ 2,932,854        |                  |                     |                     |                   |                   |
| Volta Wells        | \$ 26,508            |                     |                     | \$ 26,508        |                     |                     |                   |                   |
| Mendota Pool       | \$ 188,983           |                     |                     |                  | \$ 188,983          |                     |                   |                   |
| O'Neill            | \$ 3,152,729         |                     |                     |                  |                     | \$ 2,881,425        | \$ 271,305        |                   |
| SL Drain           | \$ 150,753           |                     |                     |                  |                     |                     |                   | \$ 150,753        |
|                    | <u>\$ 18,959,276</u> | <u>\$ 8,968,161</u> | <u>\$ 3,408,900</u> | <u>\$ 26,508</u> | <u>\$ 3,252,224</u> | <u>\$ 2,881,425</u> | <u>\$ 271,305</u> | <u>\$ 150,753</u> |

**R, O&M Actual COSTS BY COST POOLS THROUGH: DECEMBER 31, 2025**

|                    | Total                | UPPER               | Intertie            | Volta Wells     | LWR/POOL            | O'NEILL O&M         |                   |                  |
|--------------------|----------------------|---------------------|---------------------|-----------------|---------------------|---------------------|-------------------|------------------|
|                    |                      |                     |                     |                 |                     | DIRECT              | STORAGE           | SL DRAIN         |
| DMC                | \$ 6,397,210         | \$ 3,860,077        |                     |                 | \$ 2,537,133        |                     |                   |                  |
| JPP                | \$ 3,948,097         | \$ 3,948,097        |                     |                 |                     |                     |                   |                  |
| WW                 | \$ 84,634            | \$ 63,476           |                     |                 | \$ 21,159           |                     |                   |                  |
| Intertie O&M       | \$ 368,604           | \$ 368,604          |                     |                 |                     |                     |                   |                  |
| DCI DWR Conveyance | \$ 4,002,898         |                     | \$ 4,002,898        |                 |                     |                     |                   |                  |
| Volta Wells        | \$ 2,062             |                     |                     | \$ 2,062        |                     |                     |                   |                  |
| Mendota Pool       | \$ 237,921           |                     |                     |                 | \$ 237,921          |                     |                   |                  |
| O'Neill            | \$ 2,810,894         |                     |                     |                 |                     | \$ 2,569,006        | \$ 241,888        |                  |
| SL Drain           | \$ 85,155            |                     |                     |                 |                     |                     |                   | \$ 85,155        |
|                    | <u>\$ 17,937,475</u> | <u>\$ 8,240,253</u> | <u>\$ 4,002,898</u> | <u>\$ 2,062</u> | <u>\$ 2,796,213</u> | <u>\$ 2,569,006</u> | <u>\$ 241,888</u> | <u>\$ 85,155</u> |

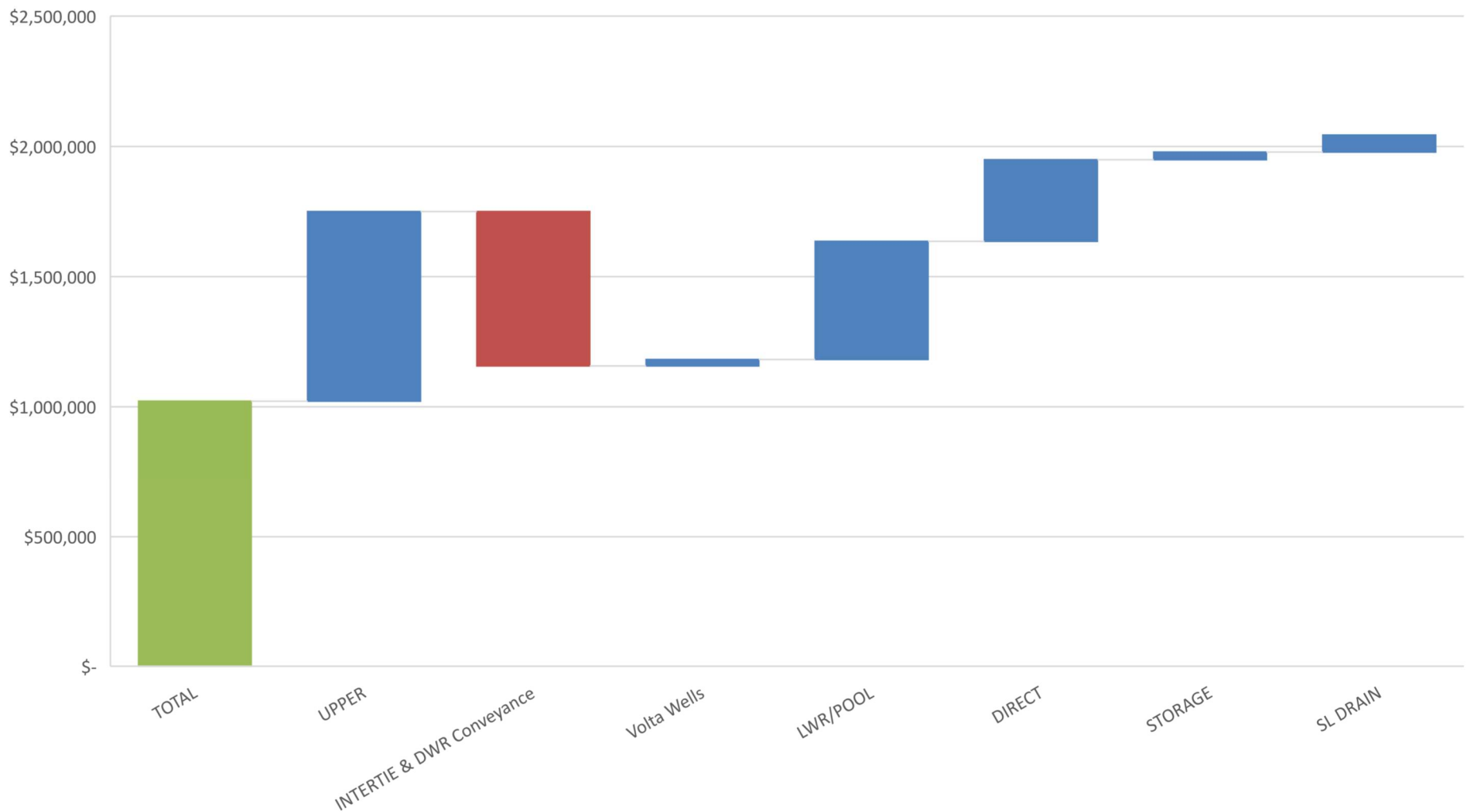
**R, O&M BUDGET vs Actual COSTS THROUGH: DECEMBER 31, 2025**

|               | TOTAL                         | UPPER        | INTERTIE & DWR |  | Volta Wells | LWR/POOL     | O'NEILL O&M  |            |            |
|---------------|-------------------------------|--------------|----------------|--|-------------|--------------|--------------|------------|------------|
|               |                               |              | Conveyance     |  |             |              | DIRECT       | STORAGE    | SL DRAIN   |
| R, O&M Budget | \$ 18,959,276                 | \$ 8,968,161 | \$ 3,408,900   |  | \$ 26,508   | \$ 3,252,224 | \$ 2,881,425 | \$ 271,305 | \$ 150,753 |
| R, O&M Actual | \$ 17,937,475                 | \$ 8,240,253 | \$ 4,002,898   |  | \$ 2,062    | \$ 2,796,213 | \$ 2,569,006 | \$ 241,888 | \$ 85,155  |
| Difference    | \$ 1,021,801                  | \$ 727,908   | \$ (593,998)   |  | \$ 24,446   | \$ 456,011   | \$ 312,419   | \$ 29,416  | \$ 65,598  |
|               | UNDER                         | UNDER        | OVER           |  | UNDER       | UNDER        | UNDER        | UNDER      | UNDER      |
|               | <b>5.389451% UNDER BUDGET</b> |              |                |  |             |              |              |            |            |



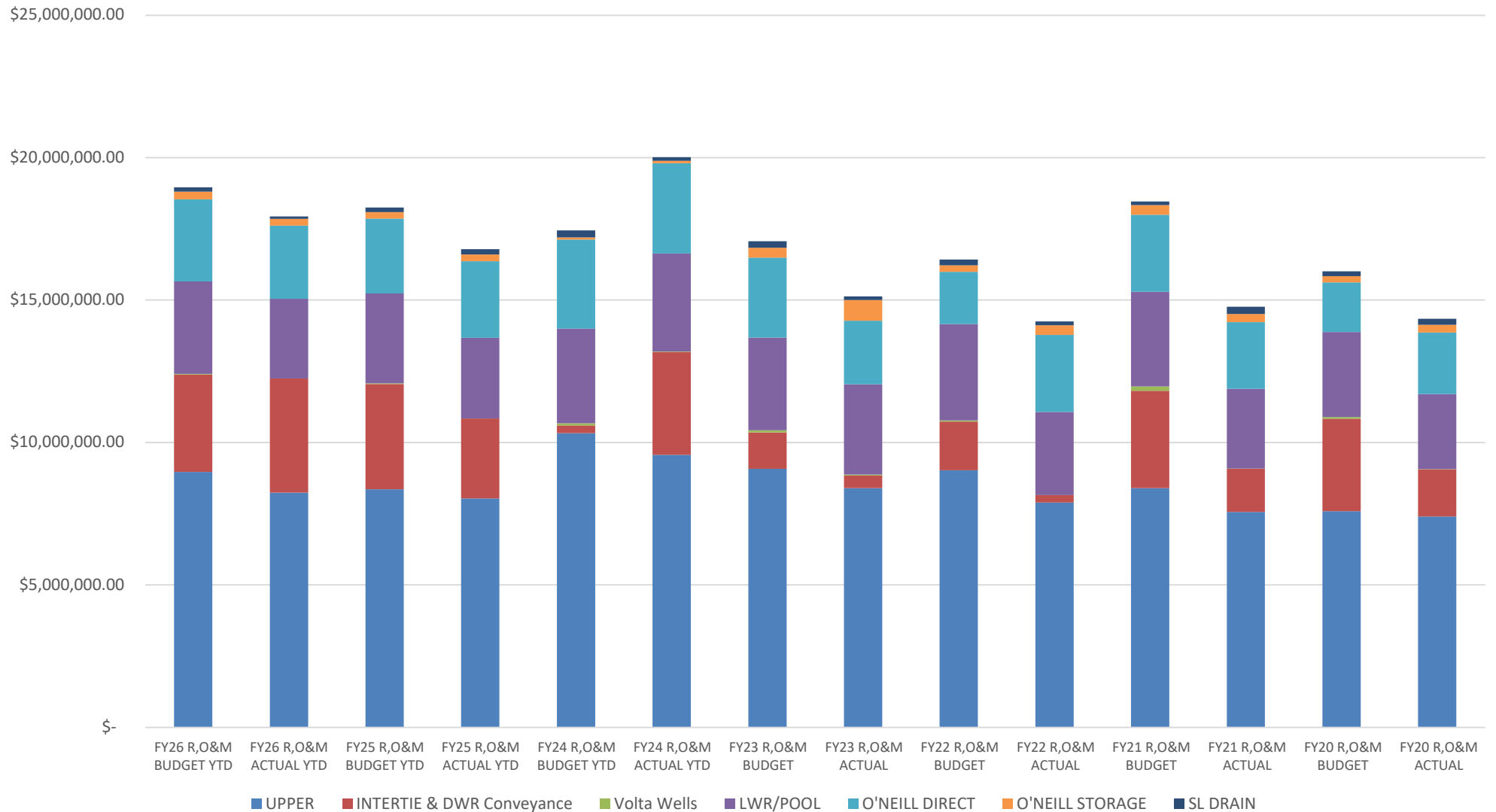
**San Luis & Delta Mendota Water Authority**  
**FY26 Budget to Actual Report through December 31, 2025**  
**BUDGET VARIANCES**  
**FAC 02/02/2026 BOD 02/05/2026**

■ Increase ■ Decrease ■ Total



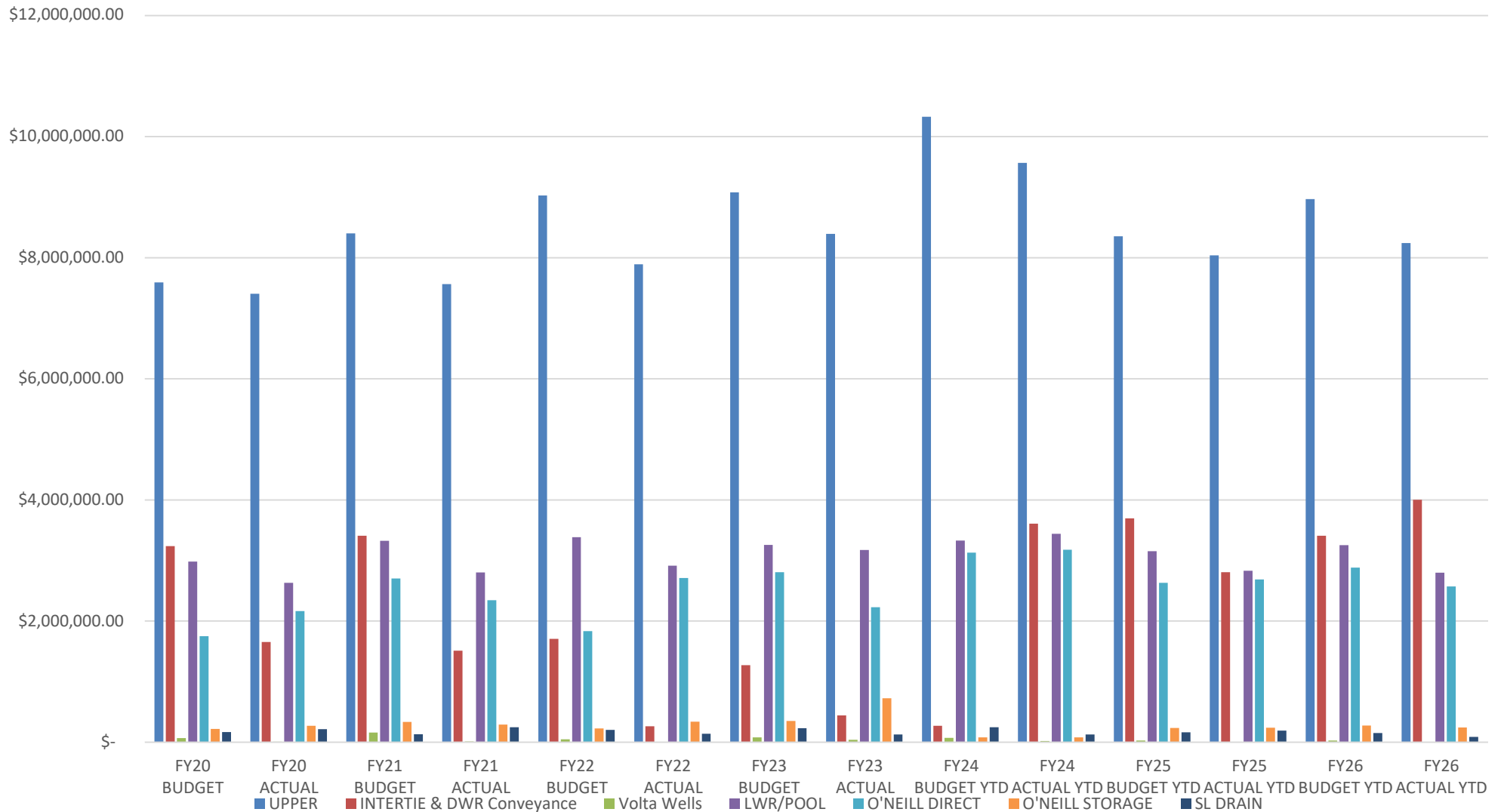


San Luis and Delta-Mendota Water Authority  
O&M Budget to Actual -Stacked  
FY20-F26 YTD ( 12/31/2025)  
FAC 02/02/2026 BOD 02/05/2026





San Luis and Delta-Mendota Water Authority  
O&M Budget to Actual-Side by Side  
FY20-FY26 YTD ( 12/31/2025)  
FAC 02/02/2026 BOD 02/05/2026





San Luis and Delta-Mendota Water Authority  
HISTORICAL O&M BUDGET TO ACTUAL TOTAL  
FY20-FY26 YTD ( 12/31/2025)  
FAC 02/02/2026 BOD 02/05/2026  
Total By Year

