



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: Pablo Arroyave, Chief Operating Officer
From: Raymond Tarka, Director of Finance
Darlene Neves, Accounting Supervisor
Date: 7.06.26 FAC and 07.09.26 BOD
RE: FY27 O&M Budget to Actual Report Through May 31,2026

Self-Funding Expenses-2026 Water Year (FY3/1/26-2/28/27)

Self-Funding actual expenses (paid and pending) for SLDMWA Routine O&M through May 31, 2026, are under budget by \$1,033,869, or 16.54%. This favorable variance is the result of underspending for O&M expenses in all cost pools, including the DCI Conveyance Pool. There were lower DCI Conveyance Costs recorded for May due to DCI conveyance activity of only 2,637 af of pumping occurring during the month.

Intertie Conveyance Cost Update

Staff expect the Intertie conveyance costs for FY27/WY26 will exceed budget due to the increase in the conveyance rate for the current year to \$ 38.73 per acre-foot, reflecting an 18.6% increase over the 2025 rate. The lower volumes experienced in the prior two months will allow some mitigation against the increased rate.

WY23 Final Accounting

WY23 Final Accounting was completed and corrected during the month of June. The initial WY23 Final Accounting was prepared without an update necessary because of the updated MOU with Friant Water Authority. A correction was made and the revised Final Accounting was issued on June 29,206.

Overall, the WY23 O&M costs were underbilled, and the Final Accounting required an additional amount due from most contractors. In addition to the underbilling caused by using higher delivery volumes than realized, there was a material difference in realized costs above some of the budgeted costs used in rate setting, including a large swing in Project Use Energy costs (PUE) resulting from the FY23 and FY24 PUE True up billings.

The FY23 True Up resulted in \$8,054,075 allocated to WY23/FY24 and the FY24 True Up resulted in \$1,819,756 allocated to WY23/FY24, resulting in a total WY23 underbilling of \$9,873,831. Intertie costs for DWR Water Conveyance were budgeted at \$1,885,683, while actual costs incurred were \$3,773,722, a difference of \$1,888,039. SLC DWR O&M costs were budgeted at \$12,242,258, and actual costs incurred were \$14,659,882, a difference of \$2,417,624.

Outstanding Items

Audited Financial Statements FY2025 and FY2026

The FY2025 Financial Statement audit is underway.



**San Luis & Delta Mendota-Water Authority
FY26 O&M Budget to Actual Report
07.06.26 FAC and 07.09.26 BOD**

ANNUAL R, O&M BUDGET BY COST POOLS MARCH 1, 2026 - FEBRUARY 28, 2027

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 9,559,048	\$ 5,767,930			\$ 3,791,118			
JPP	\$ 5,472,932	\$ 5,472,932						
WW	\$ 142,440	\$ 106,830			\$ 35,611			
Intertie O&M	\$ 651,675	\$ 651,675						
DCI DWR Conveyance	\$ 4,801,020		\$ 4,801,020					
Volta Wells	\$ 34,851			\$ 34,851				
Mendota Pool	\$ 438,563				\$ 438,563			
O'Neill	\$ 3,716,230					\$ 2,935,822	\$ 780,408.30	
SL Drain	\$ 187,059							\$ 187,059
Total	\$ 25,003,818	\$ 11,999,367	\$ 4,801,020	\$ 34,851	\$ 4,265,292	\$ 2,935,822	\$ 780,408	\$ 187,059
O&M	\$ 20,202,799							
DCI DWR Conveyance	\$ 4,801,020							

R, O&M BUDGET BY COST POOLS THROUGH: MAY 31, 2026
25.00%

	Total	UPPER	Intertie	Volta Wells	LWR	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 2,389,762	\$ 1,441,982			\$ 947,780			
JPP	\$ 1,368,233	\$ 1,368,233						
WW	\$ 35,610	\$ 26,708			\$ 8,903			
Intertie O&M	\$ 162,919	\$ 162,919						
DCI DWR Conveyance	\$ 1,200,255		\$ 1,200,255					
Volta Wells	\$ 8,713			\$ 8,713				
Mendota Pool	\$ 109,641				\$ 109,641			
O'Neill	\$ 929,058					\$ 733,955	\$ 195,102	
SL Drain	\$ 46,765							\$ 46,765
Total	\$ 6,250,955	\$ 2,999,842	\$ 1,200,255	\$ 8,713	\$ 1,066,323	\$ 733,955	\$ 195,102	\$ 46,765

R, O&M Actual COSTS BY COST POOLS THROUGH: MAY 31, 2026

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 2,056,480	\$ 1,240,880			\$ 815,600			
JPP	\$ 1,071,090	\$ 1,071,090						
WW	\$ 107,709	\$ 80,782			\$ 26,927			
Intertie O&M	\$ 249,972	\$ 249,972						
DCI DWR Conveyance	\$ 898,328		\$ 898,328					
Volta Wells	\$ 560			\$ 560				
Mendota Pool	\$ 64,752				\$ 64,752			
O'Neill	\$ 757,890					\$ 598,733	\$ 159,157	
SL Drain	\$ 10,305							\$ 10,305
Total	\$ 5,217,086	\$ 2,642,724	\$ 898,328	\$ 560	\$ 907,279	\$ 598,733	\$ 159,157	\$ 10,305

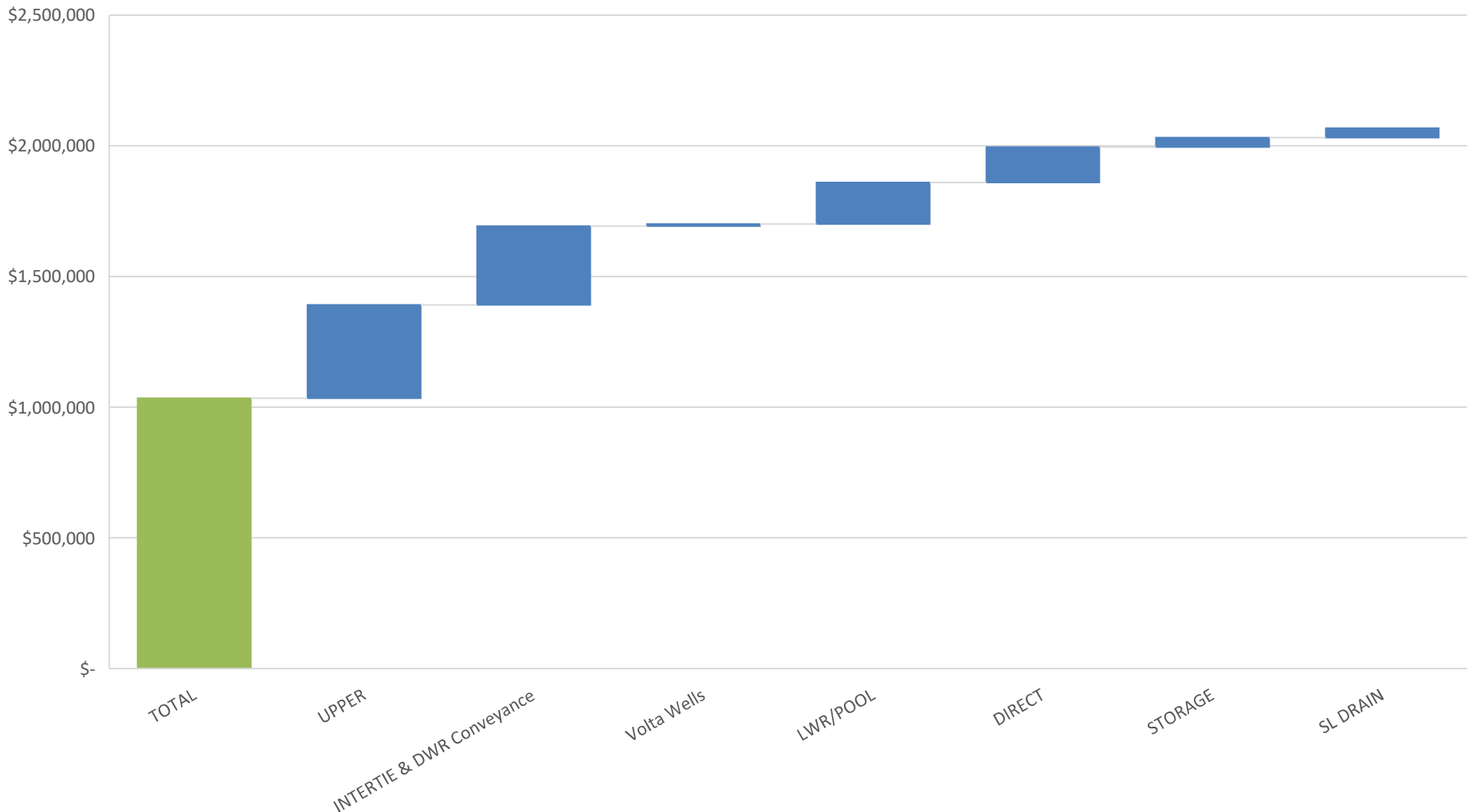
R, O&M BUDGET vs Actual COSTS THROUGH: MAY 31, 2026

	TOTAL	UPPER	INTERTIE & DWR		LWR/POOL	O'NEILL O&M		
			Conveyance	Volta Wells		DIRECT	STORAGE	SL DRAIN
R, O&M Budget	\$ 6,250,955	\$ 2,999,842	\$ 1,200,255	\$ 8,713	\$ 1,066,323	\$ 733,955	\$ 195,102	\$ 46,765
R, O&M Actual	\$ 5,217,086	\$ 2,642,724	\$ 898,328	\$ 560	\$ 907,279	\$ 598,733	\$ 159,157	\$ 10,305
Difference	\$ 1,033,869	\$ 357,118	\$ 301,927	\$ 8,153	\$ 159,044	\$ 135,222	\$ 35,945	\$ 36,460
	UNDER	UNDER	UNDER	UNDER	UNDER	UNDER	UNDER	UNDER
	16.539370% UNDER BUDGET							



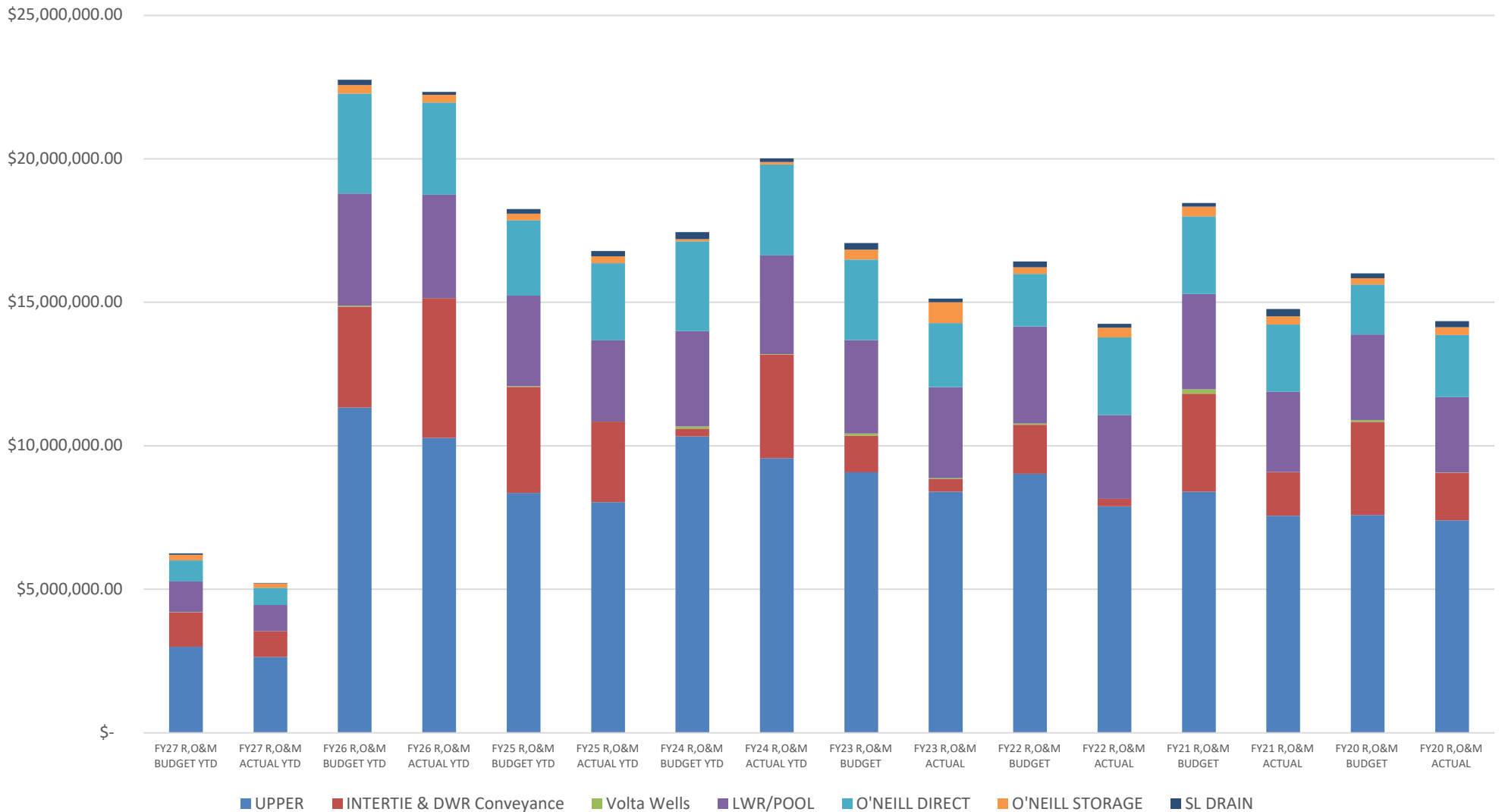
San Luis & Delta Mendota Water Authority
FY27 Budget to Actual Report through May 31, 2026
BUDGET VARIANCES
FAC 07/06/2026 BOD 07/09/2026

■ Increase ■ Decrease ■ Total



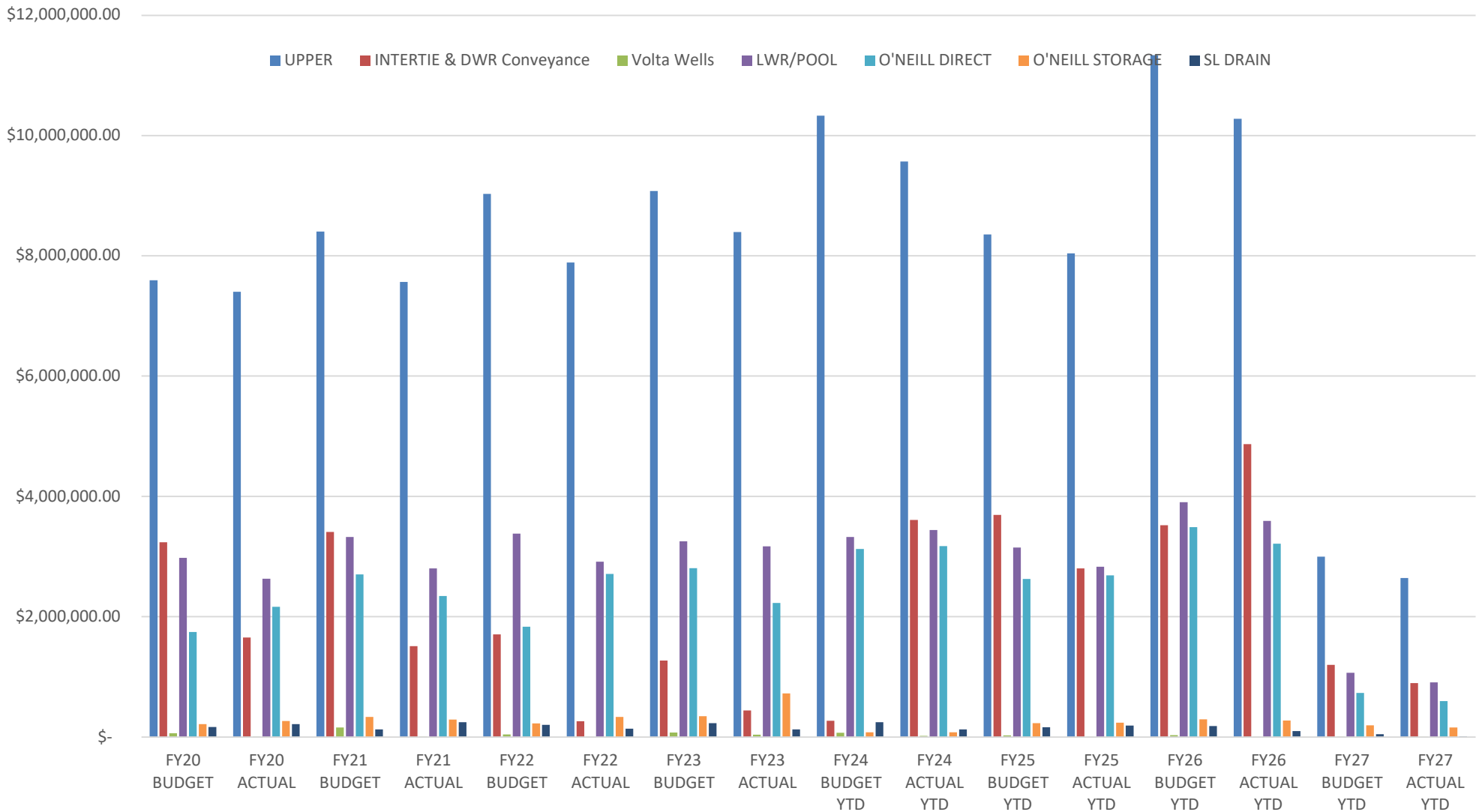


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual -Stacked
FY20-F27 YTD (05/31/2026)
FAC 07/06/2026 BOD 07/09/2026



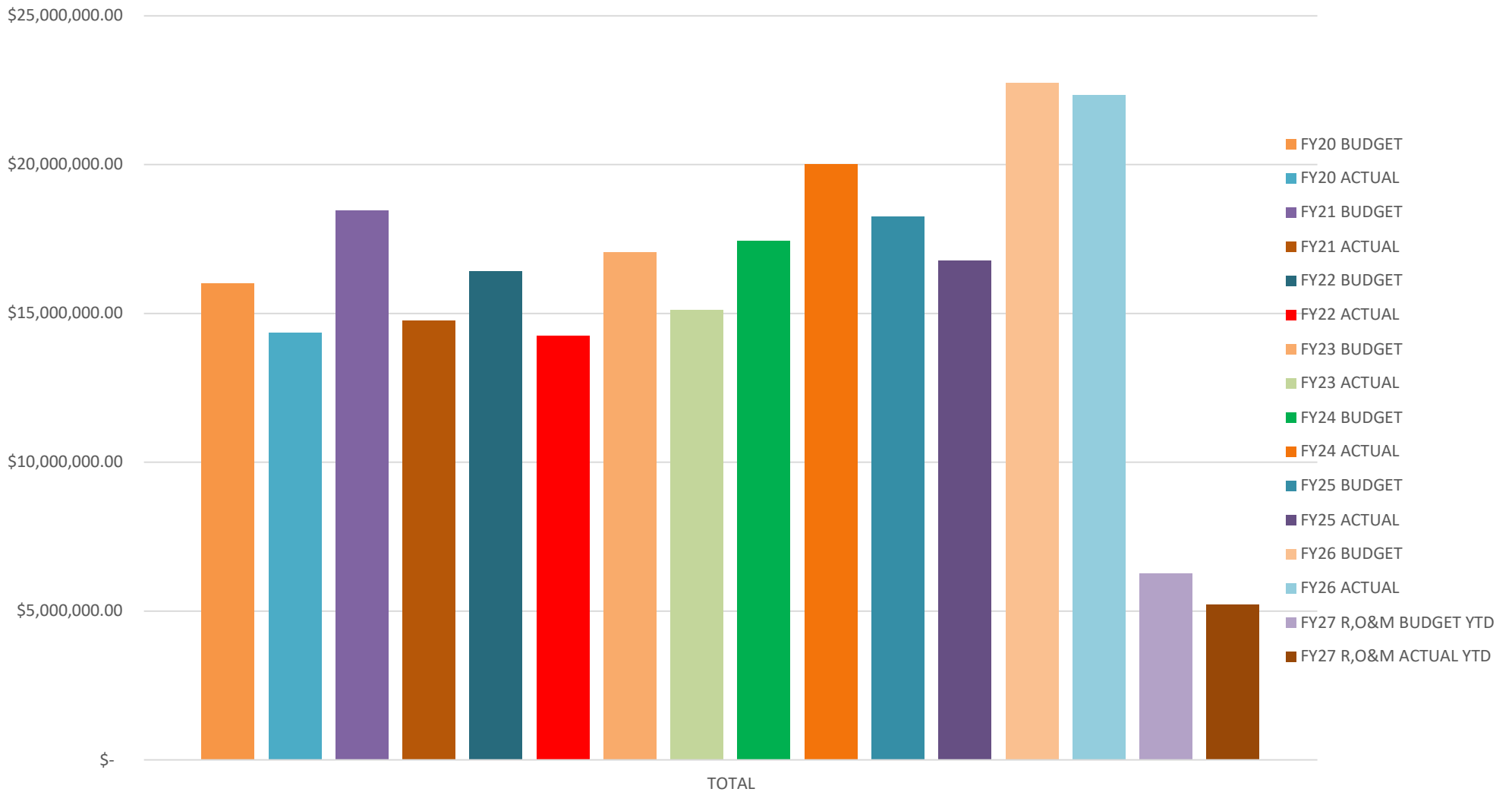


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual-Side by Side
FY20-FY27 YTD (05/31/2026)
FAC 07/06/2026 BOD 07/09/2026





San Luis and Delta-Mendota Water Authority
HISTORICAL O&M BUDGET TO ACTUAL TOTAL
FY20-FY27 YTD (05/31/2026)
FAC 07/06/2026 BOD 07/09/2026
Total By Year



San Luis & Delta-Mendota Water Authority
DMC WITH CIP / E O & M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through May 31, 2026
 FAC 7/6/26 & BOD 7/9/26

		FY Budget 3/1/26 - 2/28/27	Actual To Date Paid/Pending	% of Budget	Notes	Budget Amount Remaining
Capital Improvement Projects	CIP 25	72,059,971	1,768,472	2.45%		70,291,499
Extra Ordinary O&M	EO&M 26	4,686,472	2,182,758	46.58%		2,503,713
Operate & Maintain DMC	S/F 02	6,485,210	1,440,450	22.21%		5,044,760
Operate & Maintain Wasteways	S/F 04	91,127	72,346	79.39%		18,781
Mendota Pool	S/F 05	265,584	42,385	15.96%		223,199
Operate & Maintain JPP	S/F 11	3,623,248	728,673	20.11%		2,894,575
Intertie Maintenance	S/F 12	445,474	164,864	37.01%	A	280,611
Volta Wells Pumping	S/F 13	22,968	367	1.60%		22,601
Operate & Maintain O'Neill	S/F 19	2,430,952	503,540	20.71%		1,927,412
Maintain Tracy Fish Facility	USBR 30	398,712	4,578	1.15%		394,134
Operate & Maintain San Luis Drain	S/F 41	119,450	6,739	5.64%		112,711
Maintain Delta Cross Channel	USBR 44	9,163	-	0.00%		9,163
Safety Equipment Training	50	146,171	42,037	28.76%		104,134
IT Expense	51	1,145,488	247,842	21.64%		897,646
Warehousing	52	288,989	20,026	6.93%		268,963
SCADA	53	449,817	98,733	21.95%		351,084
Tracy Field Office Expense	54	710,229	145,847	20.54%		564,382
Direct Administrative/General Expense	56	2,520,127	324,075	12.86%		2,196,052
Indirect O & M LBAO Admin.	58	3,473,512	840,406	24.19%		2,633,106
TOTAL		99,372,665	8,634,138	8.69%		90,738,526
Total from Self-Funding - page 2		20,202,798	4,318,756			15,884,042
Total from USBR - page 3		645,754	6,797	1.05%		638,957
Total from Special Projects - page 4		-	1,418			(1,418)
Total from EO&M		78,524,113	4,307,167	5.49%		74,216,945
Totals		99,372,665	8,634,138			90,738,526
		YTD %	25.00%			

A Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

Self-Funding Portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

		FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Operate & Maintain DMC	02	6,485,210		1,440,450	22.21%	5,044,760
Operate & Maintain Wasteways	04	91,127		72,346	79.39%	18,781
Mendota Pool	05	265,584		42,385	15.96%	223,199
Operate & Maintain JPP	11	3,623,248		728,673	20.11%	2,894,575
Intertie Maintenance	12	445,474	A	164,864	37.01%	280,611
Volta Wells Pumping	13	22,968		367	1.60%	22,602
Operate & Maintain O'Neill	19	2,430,952		503,540	20.71%	1,927,412
Operate & Maintain San Luis Drain	41	119,450		6,739	5.64%	112,711
Total Direct O & M		13,484,014		2,959,364	21.95%	10,524,651
Safety Equipment Training	50	112,440		33,243	29.57%	79,197
IT Expense	51	881,153		195,998	22.24%	685,155
Warehousing	52	222,301		15,837	7.12%	206,464
SCADA	53	346,016		78,080	22.57%	267,936
Tracy Field Office Expense	54	546,335		115,339	21.11%	430,997
Direct Administrative/General Expense	56	1,938,578		256,285	13.22%	1,682,293
Indirect O & M LBAO Admin.	58	2,671,959		664,610	24.87%	2,007,349
Total Indirect Allocated to O & M		6,718,784		1,359,392	20.23%	5,359,391
Total SLDMWA O&M		20,202,798		4,318,756	21.38%	15,884,042

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

USBR Service Agreement portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

	FY Budget 3/1/26 - 2/28/27	Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Maintain Tracy Fish Facility 30	398,712	4,578	1.15%	394,134
Maintain Delta Cross Channel 44	9,163	-	0.00%	9,163
Total Direct USBR Facilities	407,875	4,578	1.12%	403,297
Safety Equipment Training 50	3,981	54	1.36%	3,927
IT Expense 51	31,197	320	1.03%	30,877
Warehousing 52	7,871	26	0.33%	7,845
SCADA 53	12,251	127	1.04%	12,123
Tracy Field Office Expense 54	19,343	188	0.97%	19,155
Direct Administrative/General Expense 56	68,635	418	0.61%	68,217
Indirect O & M LBAO Admin. 58	94,601	1,085	1.15%	93,516
Total Indirect Allocated USBR Facilities	237,879	2,218	0.93%	235,660
		6,796		
TOTAL USBR FACILITIES	645,754	6,796	1.05%	638,957

San Luis & Delta-Mendota Water Authority

DMC Indirect Cost Allocated to Special Projects

March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

			Allocated To Date		
Safety Equipment Training	50		35		
IT Expense	51		204		
Warehousing	52		17		
SCADA	53		81		
Tracy Field Office Expense	54		120		
Direct Administrative/General Expense	56		267		
Indirect O & M LBAO Admin.	58		694		
Total Indirect Allocated to SPECIAL PROJECTS			1,418		
TOTAL INDIRECT ALLOCATED TO SPECIAL PROJECTS			1,418		

San Luis & Delta-Mendota Water Authority
DMC without CIP / E O&M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

		FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending		% of Budget	Notes	Budget Amount Remaining
Operate & Maintain DMC	S/F 02	6,485,210		1,440,450		22.21%		5,044,760
Operate & Maintain Wasteways	S/F 04	91,127		72,346		79.39%		18,781
Mendota Pool	S/F 05	265,584		42,385		15.96%		223,199
Operate & Maintain JPP	S/F 11	3,623,248		728,673		20.11%		2,894,575
Intertie Maintenance	S/F 12	445,474	A	164,864		37.01%		280,611
Volta Wells Pumping	S/F 13	22,968		367		1.60%		22,601
Operate & Maintain O'Neill	S/F 19	2,430,952		503,540		20.71%		1,927,413
Maintain Tracy Fish Facility	USBR 30	398,712		4,578		1.15%		394,134
Operate & Maintain San Luis Drain	S/F 41	119,450		6,739		5.64%		112,711
Maintain Delta Cross Channel	USBR 44	9,163		-		0.00%		9,163
Safety Equipment Training	50	116,421		33,332		28.63%		83,089
IT Expense	51	912,351		196,523		21.54%		715,828
Warehousing	52	230,172		15,880		6.90%		214,292
SCADA	53	358,267		78,289		21.85%		279,978
Tracy Field Office Expense	54	565,678		115,647		20.44%		450,031
Direct Administrative/General Expense	56	2,007,214		256,971		12.80%		1,750,243
Indirect O & M LBAO Admin.	58	2,766,559		666,387		24.09%		2,100,172
TOTAL		20,848,552		4,326,971		20.75%		16,521,581
Total from Self-Funding - page 2		20,202,798		4,318,756		21.38%		15,884,042
Total from USBR - page 3		645,754		6,797		1.05%		638,957
Total from Special Projects - page 4		-		1,418				(1,418)
Totals		20,848,552		4,326,971				16,521,581
YTD %				25.00%				

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority
DMC WITH CIP / E O & M With Indirect Allocated
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

		Actual Paid/Pending Expense	% Direct Labor to Total Labor	Allocated Indirect Based on Direct Labor %	Total Expense Direct & Indirect
Operate & Maintain DMC	S/F 02	1,440,450	35.84%	616,030	2,056,480 *
Operate & Maintain Wasteways	S/F 04	72,346	2.06%	35,363	107,709 *
Mendota Pool	S/F 05	42,385	1.30%	22,365	64,751 *
Operate & Maintain Jones Pumping Pl	S/F 11	728,673	19.92%	342,417	1,071,090 *
Intertie Maintenance	S/F 12	164,864	4.95%	85,108	249,972 *
Intertie DWR Conveyance	S/F 12	898,328	0.00%	-	898,328 *
Volta Wells Pumping	S/F 13	367	0.01%	193	560 *
Operate & Maintain O'Neill	S/F 19	503,540	14.80%	254,350	757,890 *
Maintain Tracy Fish Facility	USBR 30	4,578	0.13%	2,219	6,797
Operate & Maintain San Luis Drain	S/F 41	6,739	0.21%	3,566	10,304 *
Maintain Delta Cross Channel	USBR 44	-	0.00%	-	-
CIP	25	1,768,472	5.00%	85,988	1,854,460
EO&M & Scada Project	26	2,182,758	15.70%	269,948	2,452,707
SPECIAL PROJECTS	XX		0.08%	1,418	1,418
				1,718,966	9,532,466
			100.0%		
Safety Equipment Training	50	42,037			
IT Expense	51	247,842			
Warehousing	52	20,026			
Scada	53	98,733			
Tracy Field Office Expense	54	145,847			
Direct Administrative/General Expense	56	324,075			(4,307,167) less CIP&EO&M
Indirect O & M LBAO Admin.	58	840,406			(6,797) less USBR Facilities
Total Indirect to be Allocated			1,718,966		(1,418) less Special Projects
9,532,466	TOTAL	9,532,466			5,217,084 *SLDMWA O&M Costs
		<i>includes intertie DWR conveyance</i>			

8,634,137

w/o intertie DWR conveyance

San Luis & Delta-Mendota Water Authority

CIP / EO&M / PAT Grants

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through May 31, 2026

FAC 7/6/26 & BOD 7/9/26

			FY Budget 3/1/26 - 2/28/27	Actual To Date Paid/Pending	% of Budget	Notes	Budget Amount Remaining
CIP-Unit Rewind	25	F4	-	164,402	0.00%		(164,402)
CIP JPP Exc System & Control Modernization Ph 3	25	F9	14,688,097	837,071	5.70%		13,851,025
CIP-DMC Subsidence Correction Project	25	I3	40,373,995	766,781	1.90%		39,607,214
CIP-Pump Bowl Replacement	25	J2	8,337,425	218	0.00%		8,337,207
CIP-OPP Upgrades	25	J3	5,895,066	-	0.00%		5,895,066
OPP Main Transformer Replacement	25	R0	2,765,388	-	0.00%		2,765,388
Replacement Computer/Network Comm. Equip	D0		342,261	84,128	24.58%		258,134
Replacement Vehicles	D1		415,420	370	0.09%		415,050
Purchase New Heavy Equipment	D2		91,829	53,438	58.19%		38,391
All Facility Infrastructure Replacement	D3		253,641	16,788	6.62%		236,852
SCADA Replacement & Modernization Program	D4		272,860	228,194	83.63%		44,666
Main Transformer Rehabilitation	G3		1,137,517	832,784	73.21%		304,733
DMC Subsidence Correction Project	I3	26		63,498	0.00%		(63,498)
Unit Rewind	F4	26		7,353	0.00%		(7,353)
Shaft Sleeve Design & Manufacture	F3		299,624	-	0.00%		299,624
JPP Purchase Wear Rings for Pumps	J1			15,731	0.00%		(15,731)
Electric Vehicle Charging Station	L1			206	0.00%		(206)
EO&M Program Management Services	L6			2,580	0.00%		(2,580)
Rehab Coating on Pump Casing	M1			72,574	0.00%		(72,574)
JPP Station Service Backup Battery System Replacement	R16		396,293	13,483	3.40%		382,810
JPP Switchgear Paralleling	R17		748,149	-	0.00%		748,149
JPP HVAC System Rehab/Replacement-Design	R18		505,631	-	0.00%		505,631
Protective Relays Review	R7		116,423	-	0.00%		116,423
Facility Rating Review	R8		106,823	-	0.00%		106,823
JPP Gantry Crane Rehabilitation	M5			38,576	0.00%		(38,576)
Siphon Breaker Comm Upgrades	M7			12,554	0.00%		(12,554)
Trashrake Controls Modern	M8			5,791	0.00%		(5,791)
DCI U1 & U2 Restoration and Plant Electrical Upgrades	Q1			156,926	0.00%		(156,926)
OPP U5 Unplanned Shaft and Pump Repairs	Q2			1,288	0.00%		(1,288)
JPP U5 Leak Investigation & Repair	Q4			576,496	0.00%		(576,496)
Total Direct CIP/EO&M/PAT			76,746,442	3,951,230	5.15%		72,795,212
Safety Equipment Training	50		29,750	8,704	29.26%		21,045
IT Expense	51		233,137	51,319	22.01%		181,818
Warehousing	52		58,817	4,147	7.05%		54,670
SCADA	53		91,550	20,444	22.33%		71,106
Tracy Field Office Expense	54		144,551	30,200	20.89%		114,351
Direct Administrative/General Expense	56		512,913	67,104	13.08%		445,809
Indirect O & M LBAO Admin.	58		706,953	174,018	24.62%		532,934
Total Indirect Allocated to CIP/EO&M/PAT			1,777,671	355,937	20.02%		1,421,733
Total CIP / EO&M / PAT			78,524,113	4,307,167	5.49%		74,216,945