Kirkwood Meadows Public Utility District
Finance Committee
REGULAR MEETING NOTICE

NOTICE IS HEREBY GIVEN that the Finance Committee of the Kirkwood Meadows Public Utility District has called a Regular Meeting of the Committee to be held on **Tuesday, July 21, 2026 at 10:00am** at the Kirkwood Meadows Public Utility District, Community Services Building, 33540 Loop Road, Kirkwood, CA 95646. The meeting will also be accessible via video/teleconference on Zoom at: https://us02web.zoom.us/j/87200730930

IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN GOVERNMENT CODE §54953(B) – ADDITIONAL TELECONFERENCE LOCATION: 4264 Manuela Way, Palo Alto, CA 94306 and 21298 Sarahills Drive, Saratoga, CA 95070.

HOW TO PARTICIPATE / OBSERVE THE MEETING:

Public access is available at the physical location of the meeting. You may participate in person or via the Zoom Webinar.
Telephone: Call Zoom at (669) 900-6833 and enter Meeting ID# **872 0073 0930** followed by the pound (#) key.
Computer: Follow this link to join the meeting automatically:
https://us02web.zoom.us/j/87200730930
Mobile: Open the Zoom mobile app on a smartphone and enter Meeting ID# **872 0073 0930**

HOW TO SUBMIT PUBLIC COMMENTS:

Prior to the meeting, please mail comments to P.O. Box 247, Kirkwood, CA 95646, fax your comments to (209) 258-8727 Attn: Rick Ansel or email at GM@kmpud.com, write "Public Comments" in the subject line. Include the agenda item number and title, as well as your comments. During the meeting, the Committee Chair will announce the opportunity to make public comments. Please utilize the "raise your hand" function via the Zoom application or your telephone if participating in this manner.

Any person may make comments during the General Public Comment period on items of interest, within the subject matter jurisdiction of the Committee, that are not listed on the posted agenda. In accordance with the Brown Act, the Committee cannot deliberate or vote on any matter brought forth by public comment that has not been posted in the published agenda.

ACCESSIBILITY INFORMATION:

Committee meetings are accessible to people with disabilities and others who need assistance. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to observe and/or participate in this meeting and access meeting-related materials should contact the Clerk of the Board, at least 48-hours before the meeting at (209) 258-4444 or info@kmpud.com. Advanced notification will enable the District to swiftly resolve such requests and ensure accessibility.

Distribution Date: July 17, 2026

Kirkwood Meadows Public Utility District
Finance Committee
REGULAR MEETING NOTICE

AGENDA

1) **Finances.** Discussion and possible action regarding the District's financials.
    a) Overview & Budget Variances
    b) May Financials
    c) June Preliminaries
    d) Cash Flow
    e) KVFD 501(c)(3) Financials
2) **Debt Policy (PS-390) Biennial Review.** Discussion and possible action.
3) **Future Topics.**
4) Next Meeting/Staff Recommendation: Tuesday, August 18, 2026 – 10:00 am.

The Kirkwood Meadows Public Utility District is an equal opportunity provider and employer.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the District at (209) 258-4444, by email to info@kmpud.com. Requests must be made as early as possible, and at least two business days before the meeting.

Distribution Date: July 17, 2026

Overview and Budget Variances

Financial Snapshot

May results reflect a positive net income of $9,598 compared to a budgeted loss of $24,366, resulting in a positive variance of $33,964 for the month and $177,680 year-to-date. Overall performance is favorable to budget, driven primarily by:

- Strong, unbudgeted investment earnings & other revenue
- Lower than budgeted overall YTD Operating Expenses

Balance Sheet Highlights

Cash Position:

- Operating Cash is $1,537,274 above budget, primarily due to:
    - The RUS note being rolled over instead of paid off as originally budgeted
    - CARB auction proceeds
    - Property Tax revenue received sooner than expected
- Capital Reserve balance is $1,431,944 above budget primarily due to earned interest income and a transfer from Operating Cash in March.

Other Current Assets:

- Accounts receivable is $735,739 below budget due to low utilization, collection timing, and property tax revenue recognition differences. Property tax revenue payments from the counties were received sooner than expected, increasing cash and decreasing accounts receivable.
- Inventory and prepaid balances are above budget due to:
    - Higher than budgeted value of on-hand propane and diesel
    - Budget misalignment with invoice timing and actual annual contract costs

Capital Assets & Projects:

- Capital assets exceed budget primarily due to:
    - Purchase of the Meadowstone Condominium
    - Capitalization of the propane vaporizer ($149,669) and well booster projects ($8,656)
    - Actual Inflow and Infiltration & WWTP project expenses, which were not reflected in the budget. Note that the WWTP Improvement Project has been completed and capitalization of the project will be reflected in FY 2026.

Liabilities & Debt:

- Total Accounts Payable is $179,652 below budget due to timely vendor payments.
- Debt-related variances are primarily due to budget misalignment and reflect:
    - December rollover of the RUS note, which was not included in the original budget ($604,639)
    - The Meadowstone employee housing loan and timing of the WWTP loan draws
- Unearned Revenues ($0.00) reflects recognition of the final portion of snow removal contract revenue in the prior period. This account has carried a steadily decreasing balance over the life of the FY26 contracts as revenue has been recognized on an accrual basis instead of a cash basis.

Combined Income Statement Highlights

Operating Revenue:

- Year-to-date operating revenues are $111,425 below budget, driven primarily by lower than budgeted residential utilization.
    - YTD other revenues include higher than budgeted rental income, snow stake sales, and unbudgeted connection fees for meter & equipment costs.
    - Prior period YTD operating revenues were $93,312 below budget. Continued softness in residential utilization contributed to this ongoing variance.

Operating Expenses:

Favorable Variances-

- Cost of Goods Sold is $328,504 below budget YTD due to lower propane utilization.
- Salaries and Wages are $300,085 below budget YTD due to staffing vacancies and lower snow removal payroll costs. As a result, payroll taxes and benefits are also below budget.
- Operating Expenses constitutes internal fuel use and utility costs and is below budget by $82,862.

Unfavorable Variances-

- Operations & Maintenance expenses are above budget primarily due to:
    - Loop Road project costs ($130,991)
    - Fire Hydrant Replacements ($52,500)
    - Higher Solid Waste removal costs ($40,676)
    - These increases were partially offset by lower-than budgeted internal utility allocations and operating expenses.
- Contract Services exceeded budget by $239,331 primarily due to:
    - Water and Wastewater rate study costs
    - Proposed Fire Assessment expenses
    - Audit and consulting services
    - Increased external laboratory testing costs

Non-Operating Activity:

- Investment Income totaled $243,672 YTD, reflecting strong earnings on reserve balances.
- Other non-operating income ($87,750) includes connection fee revenue and CARB auction proceeds. These revenues were not budgeted and contributed to favorable year-to-date results.
- YTD Interest expense is largely driven by unbudgeted interim CoBank financing (WWTP) and the Meadowstone Loan.

Items to Watch

- Year-to-date operating revenues remain below budget due to lower-than-expected utilization. Non-operating revenue and under budget operating expenses offset this variance overall.
- Water and Wastewater are expected to report a loss at year-end due to higher than budgeted operating expenses (Fund 10) and interest expense (Fund 20).
- Year-end projections suggest needed property tax allocations for FY 2026 will be lower than expected, potentially allowing a higher than planned allocation into Fire.
- Solid Waste removal costs remain above budget due to increases passed along to KMPUD by our waste removal vendor. This will continue to impact operating expenses in future periods.
- Reserve balances and investment earnings remain strong. Management will continue to monitor cash flow needs and investment returns to maximize interest income.

Balance Sheet - Consolidated

May 31, 2026

	Actual May, 2026	Budget May, 2026	Variance
ASSETS			
Current Assets - Funds			
Total Operating	2,915,999.91	1,378,725.00	1,537,274.91
Total KVFD Reserve	167,043.39	160,720.00	6,323.39
Total Restricted	1,039,354.65	682,756.00	356,598.65
Total Capital Reserve	4,955,248.75	3,523,304.00	1,431,944.75
Total Current Assets - Funds	9,077,646.70	5,745,505.00	3,332,141.70
Current Assets - Other			
Total Accounts Receivable, net	548,713.70	1,284,453.00	(735,739.30)
Total Materials & Supplies	426,859.90	200,000.00	226,859.90
Total Prepaid Expenses	214,019.26	91,000.00	123,019.26
Total Current Assets - Other	1,189,592.86	1,575,453.00	(385,860.14)
Capital Assets			
Total Buildings	13,360,124.70	12,740,136.00	619,988.70
Total Generation Equipment	16,932,337.03	16,932,337.00	0.03
Total Intangible Assets	15,854,083.31	15,854,083.00	0.31
Total General Plant & Other	44,097,766.34	43,936,700.00	161,066.34
Total Construction in Progress	7,227,083.00	6,509,284.00	717,799.00
Total Less: Accumulated Depreciation	(36,906,323.98)	(36,902,832.00)	(3,491.98)
Total Capital Assets	60,565,070.40	59,069,708.00	1,495,362.40
Non-Current Assets			
Total Capitalized Interest Bond Proceeds	0.00	0.00	0.00
Total Restricted Funds	0.00	0.00	0.00
Total Unamortized Debt Expenses, net	2,216,577.10	2,214,498.00	2,079.10
Total Other Non-Current Assets	0.00	0.00	0.00
Total Non-Current Assets	2,216,577.10	2,214,498.00	2,079.10
Deferred Outflows			
Total Deferred Outflows	605,737.98	605,738.00	(0.02)
Total Deferred Outflows	605,737.98	605,738.00	(0.02)
Total Assets	73,048,887.06	68,605,164.00	4,443,723.06
Total Assets and Deferred Outflows	**73,654,625.04**	69,210,902.00	4,443,723.04
LIABILITIES			
Current Liabilities			
Total Accounts Payable	147,820.84	327,473.00	(179,652.16)
Total Accrued Interest Payable	232,225.16	248,658.00	(16,432.84)
Total Customer Deposits	13,283.13	0.00	13,283.13
Total Current Portion of Long-Term Debt	363,615.29	358,873.00	4,742.29
Total Other Current Liabilities	1,282,097.85	1,279,995.00	2,102.85
Total Current Liabilities	2,039,042.27	2,214,999.00	(175,956.73)
Non-Current Liabilities			
Total Long-term Debt, less Current Portion	44,600,650.85	43,996,011.00	604,639.85
Total Installment Loans	7,820,396.56	6,045,487.00	1,774,909.56
Total Unearned Revenues	0.00	0.00	0.00
Total Net Pension Liability	1,359,824.00	1,359,824.00	0.00
Total Cushion of Credit	0.00	0.00	0.00
Total Net OPEB Liability	1,036,417.00	1,036,418.00	(1.00)
Total Non-Current Liabilities	54,817,288.41	52,437,740.00	2,379,548.41

Balance Sheet - Consolidated

May 31, 2026

	Actual May, 2026	Budget May, 2026	Variance
Deferred Inflows			
Total Deferred Inflows	1,257,371.99	0.00	1,257,371.99
Total Deferred Inflows	1,257,371.99	0.00	1,257,371.99
Total Liabilities	56,856,330.68	54,652,739.00	2,203,591.68
Total Liabilities and Deferred Inflows	**58,113,702.67**	54,652,739.00	3,460,963.67
EQUITY			
Net Assets			
Total Restricted for Debt Service	0.00	0.00	0.00
Total Unrestricted	15,540,922.37	13,380,086.39	2,160,835.98
Total Net Assets	15,540,922.37	13,380,086.39	2,160,835.98
Total Equity	15,540,922.37	13,380,086.39	2,160,835.98
Total Liabilities, Deferred Inflows, and Equity	**73,654,625.04**	68,032,825.39	5,621,799.65

Database: Insight Production
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Report:D:\Homedir\PCS\Reports\ClientCustom\Calendar Combined Balance.rpt
Last Modified: 10/13/2017

Balance Sheet - Consolidated

May 31, 2026

			Actual May, 2026	Budget May, 2026	Variance
ASSETS					
Current Assets - Funds					
01	0	13180	692,248.53	1,378,725.00	(686,476.47)
02	0	13180	0.00	0.00	0.00
10	0	13180	79,597.49	0.00	79,597.49
20	0	13180	188,753.41	0.00	188,753.41
40	0	13180	(3,945.75)	0.00	(3,945.75)
50	0	13180	1,302,950.45	0.00	1,302,950.45
60	0	13180	10,698.69	0.00	10,698.69
70	0	13180	(20,757.63)	0.00	(20,757.63)
80	0	13180	495,449.07	0.00	495,449.07
90	0	13180	83,888.55	0.00	83,888.55
13180	Cash - 5 Star - Revenue Account		2,828,882.81	1,378,725.00	1,450,157.81
Total Operating			2,828,882.81	1,378,725.00	1,450,157.81
Total Current Assets - Funds			2,828,882.81	1,378,725.00	1,450,157.81
Total Assets			2,828,882.81	1,378,725.00	1,450,157.81
Total Assets and Deferred Outflows			**2,828,882.81**	1,378,725.00	1,450,157.81
Total Liabilities, Deferred Inflows, and Equity			**0.00**	0.00	0.00

Database: Insight Production Report:D:\Homedir\PCS\Reports\ClientCustom\Calendar Combined Balance.rpt
Parameters: {GlAcct.AcctType} in ["A", "L", "Q"] and Last Modified: 10/13/2017
{?Period to Post} = {GlAcctBal.PeriodPost}

FUND 10 = WATER
FUND 20 = WASTEWATER
FUND 40 = EMPLOYEE HOUSING
FUND 50= ELECTRIC
FUND 60 = CABLE
FUND 70 = SNOW REMOVAL
FUND 80 = PROPANE
FUND 90 = SOLID WASTE

Balance Sheet - Consolidated

May 31, 2026

				Actual May, 2026	Budget May, 2026	Variance
ASSETS						
Current Assets - Funds						
01	0	13250		0.00	3,523,304.00	(3,523,304.00)
01	1	13250		0.00	0.00	0.00
01	2	13250		0.00	0.00	0.00
01	3	13250		0.00	0.00	0.00
01	4	13250		0.00	0.00	0.00
10	0	13250		418,321.95	0.00	418,321.95
20	0	13250		1,482,585.37	0.00	1,482,585.37
40	0	13250		36.01	0.00	36.01
50	0	13250		1,852,090.64	0.00	1,852,090.64
60	0	13250		0.00	0.00	0.00
70	0	13250		408,935.11	0.00	408,935.11
80	0	13250		680,947.18	0.00	680,947.18
90	0	13250		112,332.49	0.00	112,332.49
13250	Cash - 5 Star - Operating Reserve			4,955,248.75	3,523,304.00	1,431,944.75
Total Capital Reserve				4,955,248.75	3,523,304.00	1,431,944.75
Total Current Assets - Funds				4,955,248.75	3,523,304.00	1,431,944.75
Total Assets				4,955,248.75	3,523,304.00	1,431,944.75
Total Assets and Deferred Outflows				**4,955,248.75**	3,523,304.00	1,431,944.75
Total Liabilities, Deferred Inflows, and Equity				**0.00**	0.00	0.00

Database: Insight Production Report:D:\Homedir\PCS\Reports\ClientCustom\Calendar Combined Balance.rpt
Parameters: {GlAcct.AcctType} in ["A", "L", "Q"] and Last Modified: 10/13/2017
{?Period to Post} = {GlAcctBal.PeriodPost}

Budget Income Statement - Combined

May 31, 2026

	Month Totals: This Year May	Month Totals: Budget May	Month Totals: Variance Dollar	Month Totals: Variance Percent	Year to Date Totals: This Year YTD	Year to Date Totals: Budget YTD	Year to Date Totals: Variance Dollar	Year to Date Totals: Variance Percent
Commercial	94,285.77	93,618.00	667.77	0.71%	2,064,612.79	1,914,256.00	150,356.79	7.85%
Commercial Base Rates	264,531.75	267,159.00	(2,627.25)	-0.98%	2,930,067.04	2,938,749.00	(8,681.96)	-0.30%
Residential	89,244.29	118,647.00	(29,402.71)	-24.78%	1,684,616.45	2,005,244.00	(320,627.55)	-15.99%
Residential Base Rates	184,221.20	176,614.00	7,607.20	4.31%	2,006,469.90	1,942,754.00	63,715.90	3.28%
KMPUD Internal Usage	65,786.95	63,931.00	1,855.95	2.90%	752,343.55	838,757.00	(86,413.45)	-10.30%
Meter Charges	9,744.58	8,235.00	1,509.58	18.33%	103,495.73	90,585.00	12,910.73	14.25%
Property Taxes	82,340.00	82,340.00	0.00	0.00%	905,740.00	905,740.00	0.00	0.00%
Other	16,948.99	14,672.00	2,276.99	15.52%	1,131,956.17	1,054,642.00	77,314.17	7.33%
Operating Revenues	807,103.53	825,216.00	(18,112.47)	-2.19%	11,579,301.63	11,690,727.00	(111,425.37)	-0.95%
Cost of Goods Sold	73,442.24	99,694.00	(26,251.76)	-26.33%	1,577,950.50	1,906,455.00	(328,504.50)	-17.23%
Salaries and Wages	112,315.06	140,284.00	(27,968.94)	-19.94%	1,472,983.71	1,773,069.20	(300,085.49)	-16.92%
Payroll Taxes & EE Benefits	84,105.67	74,325.00	9,780.67	13.16%	838,695.18	895,014.00	(56,318.82)	-6.29%
Operations & Maintenance	88,295.76	77,306.00	10,989.76	14.22%	1,338,975.49	1,035,136.00	303,839.49	29.35%
Contract Services	15,102.70	5,050.00	10,052.70	199.06%	372,381.34	133,050.00	239,331.34	179.88%
Operating Expenses	45,159.74	53,514.00	(8,354.26)	-15.61%	524,543.30	607,406.00	(82,862.70)	-13.64%
G & A Allocations	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Internal Allocations	47,238.06	43,159.00	4,079.06	9.45%	541,011.01	573,404.00	(32,392.99)	-5.65%
Board of Directors	11,750.60	11,108.00	642.60	5.79%	125,146.00	120,366.00	4,780.00	3.97%
Depreciation	181,732.87	182,887.00	(1,154.13)	-0.63%	2,013,248.35	2,011,757.00	1,491.35	0.07%
Operating Expenses	659,142.70	687,327.00	(28,184.30)	-4.10%	8,804,934.88	9,055,657.20	(250,722.32)	-2.77%
Total Operating	**147,960.83**	**137,889.00**	**10,071.83**	**7.30%**	**2,774,366.75**	**2,635,069.80**	**139,296.95**	**5.29%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	16,131.86	0.00	16,131.86	na	243,672.54	0.00	243,672.54	na
Other	25.00	0.00	25.00	na	87,750.12	0.00	87,750.12	na
Non-Operating Revenues	16,156.86	0.00	16,156.86	na	331,422.66	0.00	331,422.66	na
Interest Expense	118,145.00	126,055.00	(7,910.00)	-6.28%	1,709,450.87	1,418,330.00	291,120.87	20.53%
Amortization	36,374.41	36,200.00	174.41	0.48%	400,118.56	398,200.00	1,918.56	0.48%
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	154,519.41	162,255.00	(7,735.59)	-4.77%	2,109,569.43	1,816,530.00	293,039.43	16.13%
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**(138,362.55)**	**(162,255.00)**	**23,892.45**	**14.73%**	**(1,778,146.77)**	**(1,816,530.00)**	**38,383.23**	**2.11%**
	9,598.28	**(24,366.00)**	**33,964.28**	**139.39%**	**996,219.98**	**818,539.80**	**177,680.18**	**21.71%**

Budget Income Statement - General Fund

May 31, 2026

	Month Totals: This Year May	Month Totals: Budget May	Month Totals: Variance Dollar	Month Totals: Variance Percent	Year to Date Totals: This Year YTD	Year to Date Totals: Budget YTD	Year to Date Totals: Variance Dollar		Year to Date Totals: Variance Percent
1 - General & Admin									
Property Taxes	82,340.00	82,340.00	0.00	0.00%	905,740.00	905,740.00	0.00		0.00%
Other	50.18	0.00	50.18	na	1,743.35	0.00	1,743.35		na
Operating Revenues	82,390.18	82,340.00	50.18	0.06%	907,483.35	905,740.00	1,743.35		0.19%
Salaries and Wages	45,385.18	60,463.00	(15,077.82)	-24.94%	589,762.39	665,102.00	(75,339.61)	*	-11.33%
Payroll Taxes & EE Benefits	42,267.17	43,387.00	(1,119.83)	-2.58%	514,856.40	463,052.00	51,804.40	*	11.19%
Operations & Maintenance	2,899.66	4,900.00	(2,000.34)	-40.82%	39,661.12	53,900.00	(14,238.88)		-26.42%
Contract Services	4,806.50	1,000.00	3,806.50	380.65%	197,194.38	76,500.00	120,694.38	*	157.77%
Operating Expenses	35,290.74	43,584.00	(8,293.26)	-19.03%	418,816.86	500,526.00	(81,709.14)	*	-16.32%
G & A Allocations	(142,349.67)	(164,442.00)	22,092.33	-13.43%	(1,902,195.86)	(1,897,947.00)	(4,248.86)		0.22%
Internal Allocations	0.00	0.00	0.00	na	18,502.00	18,501.00	1.00		0.01%
Board of Directors	11,750.60	11,108.00	642.60	5.79%	125,146.00	120,366.00	4,780.00		3.97%
Operating Expenses	50.18	0.00	50.18	na	1,743.29	0.00	1,743.29		na
Total Operating	**82,340.00**	**82,340.00**	**0.00**	**0.00%**	**905,740.06**	**905,740.00**	**0.06**		**0.00%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Investment Income	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Total Non-Operating	**0.00**	**0.00**	**0.00**	**na**	**0.00**	**0.00**	**0.00**		**na**
NET INCOME (LOSS)	**82,340.00**	**82,340.00**	**0.00**	**0.00%**	**905,740.06**	**905,740.00**	**0.06**		**0.00%**

* Salaries & Wages is below budget YTD due to staffing changes and the unfilled AGM position.

* Payroll Taxes & Benefits is above budget due to budget misalignment with employee pensions & benefits and accrued PTO balances.

* YTD Contract services is above budget due to higher than budgeted audit expenses (actual: $113,984; budget: $60,200) and consulting services.

* YTD Operating Expenses is below budget due to lower than expected internal utility usage and insurance expense.
(Property, Liability, Worker's Compensation, etc.)

Budget Income Statement - General Fund

May 31, 2026

	Month Totals: This Year May	Budget May	Variance Dollar	Variance Percent	Year to Date Totals: This Year YTD	Budget YTD	Variance Dollar		Variance Percent
2 - Fire Department									
Other	6,011.36	5,630.00	381.36	6.77%	71,868.65	61,930.00	9,938.65		16.05%
Operating Revenues	6,011.36	5,630.00	381.36	6.77%	71,868.65	61,930.00	9,938.65		16.05%
Salaries and Wages	332.81	146.00	186.81	127.95%	332.81	1,606.00	(1,273.19)		-79.28%
Payroll Taxes & EE Benefits	174.97	78.00	96.97	124.32%	174.97	792.00	(617.03)		-77.91%
Operations & Maintenance	8,742.42	11,050.00	(2,307.58)	-20.88%	75,726.83	121,550.00	(45,823.17)	*	-37.70%
Contract Services	97.50	0.00	97.50	na	36,395.15	0.00	36,395.15	*	na
Operating Expenses	525.00	910.00	(385.00)	-42.31%	5,948.13	10,010.00	(4,061.87)		-40.58%
G & A Allocations	11,815.02	13,649.00	(1,833.98)	-13.44%	157,882.27	157,530.00	352.27		0.22%
Internal Allocations	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Depreciation	4,839.05	4,500.00	339.05	7.53%	60,760.59	49,500.00	11,260.59		22.75%
Operating Expenses	26,526.77	30,333.00	(3,806.23)	-12.55%	337,220.75	340,988.00	(3,767.25)		-1.10%
Total Operating	**(20,515.41)**	**(24,703.00)**	**4,187.59**	**-16.95%**	**(265,352.10)**	**(279,058.00)**	**13,705.90**		**-4.91%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Total Non-Operating	**0.00**	**0.00**	**0.00**	**na**	**0.00**	**0.00**	**0.00**		**na**
NET INCOME (LOSS)	**(20,515.41)**	**(24,703.00)**	**4,187.59**	**-16.95%**	**(265,352.10)**	**(279,058.00)**	**13,705.90**		**-4.91%**

* YTD Contract Services is above budget due to professional fees related to the proposed Fire Assessment. Under budget expense in Operations & Maintenance offsets this variance.

Budget Income Statement - General Fund

May 31, 2026

	Month Totals				Year to Date Totals			
	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
3 - Parks & Recreation								
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Operating Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Salaries and Wages	3,625.75	0.00	3,625.75	na	4,899.99	1,206.00	3,693.99 *	306.30%
Payroll Taxes & EE Benefits	1,632.45	0.00	1,632.45	na	2,117.55	663.00	1,454.55 *	219.39%
Operations & Maintenance	0.00	0.00	0.00	na	0.00	900.00	(900.00)	-100.00%
Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
G & A Allocations	1,423.50	1,644.00	(220.50)	-13.41%	19,021.96	18,978.00	43.96	0.23%
Internal Allocations	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Depreciation	140.74	141.00	(0.26)	-0.18%	1,548.14	1,551.00	(2.86)	-0.18%
Operating Expenses	6,822.44	1,785.00	5,037.44	282.21%	27,587.64	23,298.00	4,289.64	18.41%
Total Operating	**(6,822.44)**	**(1,785.00)**	**(5,037.44)**	**282.21%**	**(27,587.64)**	**(23,298.00)**	**(4,289.64)**	**18.41%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**0.00**	**0.00**	**0.00**	**na**	**0.00**	**0.00**	**0.00**	**na**
NET INCOME (LOSS)	**(6,822.44)**	**(1,785.00)**	**(5,037.44)**	**282.21%**	**(27,587.64)**	**(23,298.00)**	**(4,289.64)**	**18.41%**

* Salaries & Wages and Payroll Taxes & EE Benefits are above budget due to seasonal playground grooming & equipment installation work.

Budget Income Statement - Water Fund

May 31, 2026

0 - Default	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
	--Month Totals--				--Year to Date Totals--			
Commercial	2,450.92	3,287.00	(836.08)	-25.44%	99,300.10	91,407.00	7,893.10	8.64%
Commercial Base Rates	21,224.55	22,835.00	(1,610.45)	-7.05%	248,129.05	251,185.00	(3,055.95)	-1.22%
Residential	2,746.38	3,484.00	(737.62)	-21.17%	93,449.58	109,177.00	(15,727.42)	-14.41%
Residential Base Rates	28,247.88	28,138.00	109.88	0.39%	306,513.08	309,518.00	(3,004.92)	-0.97%
KMPUD Internal Usage	90.60	0.00	90.60	na	923.14	0.00	923.14	na
Meter Charges	5,208.58	3,792.00	1,416.58	37.36%	53,374.39	41,712.00	11,662.39	27.96%
Other	108.47	500.00	(391.53)	-78.31%	16,783.13	5,500.00	11,283.13	205.15%
Operating Revenues	60,077.38	62,036.00	(1,958.62)	-3.16%	818,472.47	808,499.00	9,973.47 *	1.23%
Salaries and Wages	10,153.14	11,092.00	(938.86)	-8.46%	153,206.61	122,148.00	31,058.61 *	25.43%
Payroll Taxes & EE Benefits	5,807.88	6,387.00	(579.12)	-9.07%	77,748.74	65,757.00	11,991.74	18.24%
Operations & Maintenance	7,240.98	2,349.00	4,891.98	208.26%	155,701.43	35,289.00	120,412.43 *	341.22%
Contract Services	7,402.30	2,500.00	4,902.30	196.09%	88,304.47	27,500.00	60,804.47 *	221.11%
Operating Expenses	2,679.49	1,500.00	1,179.49	78.63%	19,539.38	16,500.00	3,039.38	18.42%
G & A Allocations	24,911.19	28,777.00	(3,865.81)	-13.43%	332,884.27	332,141.00	743.27	0.22%
Internal Allocations	1,495.62	6,159.00	(4,663.38)	-75.72%	30,450.24	79,721.00	(49,270.76)	-61.80%
Depreciation	8,970.71	8,334.00	636.71	7.64%	98,239.79	91,674.00	6,565.79	7.16%
Operating Expenses	68,661.31	67,098.00	1,563.31	2.33%	956,074.93	770,730.00	185,344.93	24.05%
Total Operating	**(8,583.93)**	**(5,062.00)**	**(3,521.93)**	**69.58%**	**(137,602.46)**	**37,769.00**	**(175,371.46)**	**-464.33%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	1,361.85	0.00	1,361.85	na	14,983.97	0.00	14,983.97	na
Other	0.00	0.00	0.00	na	8,556.00	0.00	8,556.00	na
Non-Operating Revenues	1,361.85	0.00	1,361.85	na	23,539.97	0.00	23,539.97	na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**1,361.85**	**0.00**	**1,361.85**	**na**	**23,539.97**	**0.00**	**23,539.97**	**na**
NET INCOME (LOSS)	**(7,222.08)**	**(5,062.00)**	**(2,160.08)**	**42.67%**	**(114,062.49)**	**37,769.00**	**(151,831.49)**	**-402.00%**

* YTD Operating Revenues is above budget. The FY 2026 budget assumed revenue based on the previous water / wastewater rate study.

* YTD Operations & Maintenance is above budget due to fire hydrant replacements ($52,000) and paving & supplies purchases related to the Loop Road water main break.

* YTD Contract Services is above budget due to rate study expenses and engineering services. The budget was not aligned with actual expenses.

Budget Income Statement - Wastewater Fund

May 31, 2026

	Month Totals: This Year May	Budget May	Variance Dollar	Variance Percent	Year to Date Totals: This Year YTD	Budget YTD	Variance Dollar		Variance Percent
0 - Default									
Commercial	9,164.69	9,331.00	(166.31)	-1.78%	440,538.69	367,967.00	72,571.69		19.72%
Commercial Base Rates	44,574.63	44,293.00	281.63	0.64%	505,245.38	487,223.00	18,022.38		3.70%
Residential	8,651.97	11,404.00	(2,752.03)	-24.13%	266,825.65	314,925.00	(48,099.35)		-15.27%
Residential Base Rates	54,352.51	47,692.00	6,660.51	13.97%	578,178.13	524,612.00	53,566.13		10.21%
KMPUD Internal Usage	206.41	0.00	206.41	na	2,025.99	0.00	2,025.99		na
Meter Charges	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Other	860.20	625.00	235.20	37.63%	16,447.44	6,875.00	9,572.44		139.24%
Operating Revenues	117,810.41	113,345.00	4,465.41	3.94%	1,809,261.28	1,701,602.00	107,659.28	*	6.33%
Salaries and Wages	20,745.43	21,072.00	(326.57)	-1.55%	206,575.51	267,595.00	(61,019.49)	*	-22.80%
Payroll Taxes & EE Benefits	10,549.30	12,203.00	(1,653.70)	-13.55%	100,810.61	145,279.00	(44,468.39)	*	-30.61%
Operations & Maintenance	6,026.49	15,250.00	(9,223.51)	-60.48%	188,167.13	167,750.00	20,417.13		12.17%
Contract Services	2,113.90	1,250.00	863.90	69.11%	46,428.34	25,750.00	20,678.34		80.30%
Operating Expenses	5,379.99	5,500.00	(120.01)	-2.18%	28,886.29	29,300.00	(413.71)		-1.41%
G & A Allocations	24,911.19	28,777.00	(3,865.81)	-13.43%	332,884.27	332,141.00	743.27		0.22%
Internal Allocations	44,909.71	35,104.00	9,805.71	27.93%	476,066.50	445,726.00	30,340.50		6.81%
Depreciation	23,248.79	25,000.00	(1,751.21)	-7.00%	255,616.62	275,000.00	(19,383.38)		-7.05%
Operating Expenses	137,884.80	144,156.00	(6,271.20)	-4.35%	1,635,435.27	1,688,541.00	(53,105.73)	*	-3.15%
Total Operating	**(20,074.39)**	**(30,811.00)**	**10,736.61**	**-34.85%**	**173,826.01**	**13,061.00**	**160,765.01**		**1,230.88%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Investment Income	4,826.57	0.00	4,826.57	na	34,234.59	0.00	34,234.59		na
Other	0.00	0.00	0.00	na	4,572.00	0.00	4,572.00		na
Non-Operating Revenues	4,826.57	0.00	4,826.57	na	38,806.59	0.00	38,806.59		na
Interest Expense	0.00	0.00	0.00	na	301,824.62	0.00	301,824.62	*	na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Expenses	0.00	0.00	0.00	na	301,824.62	0.00	301,824.62		na
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Total Non-Operating	**4,826.57**	**0.00**	**4,826.57**	**na**	**(263,018.03)**	**0.00**	**(263,018.03)**		**na**
NET INCOME (LOSS)	**(15,247.82)**	**(30,811.00)**	**15,563.18**	**-50.51%**	**(89,192.02)**	**13,061.00**	**(102,253.02)**		**-782.89%**

* YTD Operating Revenues is above budget. The FY 2026 budget assumed revenue based on the previous water / wastewater rate study.
* YTD Salaries & Wages and Payroll Taxes & EE Benefits are below budget due to staffing changes and retirements.
* YTD Total Operating Expenses is above budget, primarily due to rate study costs, increased expense for lab services, and budget misalignment with cost of chemicals.
* YTD Interest Expense is an unbudgeted item related to WWTP rehabilitation project interim financing (CoBank).

Budget Income Statement - Employee Housing Fund

May 31, 2026

	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
0 - Default								
Other	9,060.00	5,620.00	3,440.00	61.21%	92,930.12	57,820.00	35,110.12	60.72%
Operating Revenues	9,060.00	5,620.00	3,440.00	61.21%	92,930.12	57,820.00	35,110.12 *	60.72%
Salaries and Wages	110.94	402.00	(291.06)	-72.40%	5,986.10	3,216.00	2,770.10	86.13%
Payroll Taxes & EE Benefits	58.33	214.00	(155.67)	-72.74%	2,676.00	1,657.00	1,019.00	61.50%
Operations & Maintenance	3,496.64	1,667.00	1,829.64	109.76%	43,869.72	18,337.00	25,532.72	139.24%
Contract Services	0.00	0.00	0.00	na	2,960.00	0.00	2,960.00	na
Operating Expenses	0.00	0.00	0.00	na	4,600.00	0.00	4,600.00	na
G & A Allocations	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Internal Allocations	529.39	924.00	(394.61)	-42.71%	7,152.26	11,681.00	(4,528.74)	-38.77%
Depreciation	5,874.82	4,167.00	1,707.82	40.98%	61,571.95	45,837.00	15,734.95	34.33%
Operating Expenses	10,070.12	7,374.00	2,696.12	36.56%	128,816.03	80,728.00	48,088.03 *	59.57%
Total Operating	**(1,010.12)**	**(1,754.00)**	**743.88**	**-42.41%**	**(35,885.91)**	**(22,908.00)**	**(12,977.91)**	**56.65%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	0.12	0.00	0.12	na	182.27	0.00	182.27	na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Revenues	0.12	0.00	0.12	na	182.27	0.00	182.27	na
Interest Expense	2,032.42	130.00	1,902.42	1,463.40%	18,833.42	1,430.00	17,403.42 *	1,217.02%
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	2,032.42	130.00	1,902.42	1,463.40%	18,833.42	1,430.00	17,403.42	1,217.02%
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**(2,032.30)**	**(130.00)**	**(1,902.30)**	**1,463.31%**	**(18,651.15)**	**(1,430.00)**	**(17,221.15)**	**1,204.28%**
NET INCOME (LOSS)	**(3,042.42)**	**(1,884.00)**	**(1,158.42)**	**61.49%**	**(54,537.06)**	**(24,338.00)**	**(30,199.06)**	**124.08%**

* YTD Operating Revenues is above budget due to higher than planned occupancy in employee housing and rental income from the Meadowstone Condo.

* All other variances are related to the purchase of the Meadowstone Condo and ongoing associated costs, which were not included in the FY 2026 budget.

Budget Income Statement - Electricity Fund

May 31, 2026

	Month Totals				Year to Date Totals				
	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar		Variance Percent
0 - Default									
Commercial	44,960.14	43,460.00	1,500.14	3.45%	842,245.88	690,292.00	151,953.88		22.01%
Commercial Base Rates	185,628.57	185,799.00	(170.43)	-0.09%	2,030,919.81	2,043,789.00	(12,869.19)		-0.63%
Residential	24,238.79	34,570.00	(10,331.21)	-29.88%	433,369.63	549,098.00	(115,728.37)		-21.08%
Residential Base Rates	89,719.04	88,604.00	1,115.04	1.26%	985,347.16	974,644.00	10,703.16		1.10%
KMPUD Internal Usage	63,614.62	61,585.00	2,029.62	3.30%	689,673.19	778,731.00	(89,057.81)		-11.44%
Meter Charges	2,757.12	2,636.00	121.12	4.59%	30,296.14	28,996.00	1,300.14		4.48%
Other	(28.53)	1,030.00	(1,058.53)	-102.77%	6,742.67	11,330.00	(4,587.33)		-40.49%
Operating Revenues	410,889.75	417,684.00	(6,794.25)	-1.63%	5,018,594.48	5,076,880.00	(58,285.52)	*	-1.15%
Cost of Goods Sold	41,401.44	44,948.00	(3,546.56)	-7.89%	856,575.92	861,192.00	(4,616.08)		-0.54%
Salaries and Wages	20,356.95	25,373.00	(5,016.05)	-19.77%	202,850.50	261,861.20	(59,010.70)	*	-22.54%
Payroll Taxes & EE Benefits	0.00	0.00	0.00	na	12,557.30	0.00	12,557.30		na
Operations & Maintenance	33,705.19	28,090.00	5,615.19	19.99%	453,240.27	308,990.00	144,250.27	*	46.68%
Contract Services	682.50	300.00	382.50	127.50%	1,099.00	3,300.00	(2,201.00)		-66.70%
Operating Expenses	1,259.52	1,250.00	9.52	0.76%	13,962.30	13,750.00	212.30		1.54%
G & A Allocations	29,324.03	33,875.00	(4,550.97)	-13.43%	391,852.36	390,977.00	875.36		0.22%
Internal Allocations	0.00	(2.00)	2.00	-100.00%	1,849.60	1,848.00	1.60		0.09%
Depreciation	125,114.95	127,250.00	(2,135.05)	-1.68%	1,379,581.99	1,399,750.00	(20,168.01)		-1.44%
Operating Expenses	251,844.58	261,084.00	(9,239.42)	-3.54%	3,313,569.24	3,241,668.20	71,901.04		2.22%
Total Operating	**159,045.17**	**156,600.00**	**2,445.17**	**1.56%**	**1,705,025.24**	**1,835,211.80**	**(130,186.56)**		**-7.09%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Investment Income	6,029.50	0.00	6,029.50	na	161,626.65	0.00	161,626.65	*	na
Other	25.00	0.00	25.00	na	73,618.12	0.00	73,618.12	*	na
Non-Operating Revenues	6,054.50	0.00	6,054.50	na	235,244.77	0.00	235,244.77		na
Interest Expense	116,112.58	124,329.00	(8,216.42)	-6.61%	1,294,757.52	1,397,502.00	(102,744.48)	*	-7.35%
Amortization	36,374.41	36,200.00	174.41	0.48%	400,118.56	398,200.00	1,918.56		0.48%
Non-Operating Expenses	152,486.99	160,529.00	(8,042.01)	-5.01%	1,694,876.08	1,795,702.00	(100,825.92)		-5.61%
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Total Non-Operating	**(146,432.49)**	**(160,529.00)**	**14,096.51**	**-8.78%**	**(1,459,631.31)**	**(1,795,702.00)**	**336,070.69**		**-18.72%**
NET INCOME (LOSS)	**12,612.68**	**(3,929.00)**	**16,541.68**	**-421.02%**	**245,393.93**	**39,509.80**	**205,884.13**		**521.10%**

Budget Income Statement - Electricity Fund

May 31, 2026	--------Month Totals--------				--------Year to Date Totals--------			
	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent

0 - Default

* YTD Operating Revenue is below budget by $58,285 due to lower than expected utilization.
* YTD Salaries & Wages is below budget due to a vacant position.
* YTD Operations & Maintenance expenses are above budget due to the Loop Road project. (Norburg: $95,650; CED: $35,341)
* YTD Investment Income includes repaid interfund loans as well as interest earned on Five Star Bank operating reserves.
* YTD Other Non-Operating Revenue is attributable to unbudgeted connection fees and CARB auction proceeds.
* YTD Interest Expense is below budget due to lower than expected actual RUS loan interest charges.

Budget Income Statement - Cable TV Fund

May 31, 2026

	Month Totals: This Year May	Month Totals: Budget May	Month Totals: Variance Dollar	Month Totals: Variance Percent	Year to Date Totals: This Year YTD	Year to Date Totals: Budget YTD	Year to Date Totals: Variance Dollar	Year to Date Totals: Variance Percent
0 - Default								
Other	923.12	1,167.00	(243.88)	-20.90%	10,154.32	12,837.00	(2,682.68)	-20.90%
Operating Revenues	923.12	1,167.00	(243.88)	-20.90%	10,154.32	12,837.00	(2,682.68)	-20.90%
Salaries and Wages	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Payroll Taxes & EE Benefits	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Operations & Maintenance	0.00	50.00	(50.00)	-100.00%	0.00	550.00	(550.00)	-100.00%
Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
G & A Allocations	711.75	823.00	(111.25)	-13.52%	9,510.97	9,492.00	18.97	0.20%
Internal Allocations	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Depreciation	126.28	45.00	81.28	180.62%	1,389.13	495.00	894.13	180.63%
Operating Expenses	838.03	918.00	(79.97)	-8.71%	10,900.10	10,537.00	363.10	3.45%
Total Operating	**85.09**	**249.00**	**(163.91)**	**-65.83%**	**(745.78)**	**2,300.00**	**(3,045.78)**	**-132.43%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**0.00**	**0.00**	**0.00**	**na**	**0.00**	**0.00**	**0.00**	**na**
NET INCOME (LOSS)	**85.09**	**249.00**	**(163.91)**	**-65.83%**	**(745.78)**	**2,300.00**	**(3,045.78)**	**-132.43%**

Budget Income Statement - Snow Removal Fund

May 31, 2026

	Month Totals				Year to Date Totals			
	This Year May	Budget May	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
0 - Default								
KMPUD Internal Usage	0.00	0.00	0.00	na	27,750.00	27,748.00	2.00	0.01%
Other	0.00	0.00	0.00	na	911,043.50	897,250.00	13,793.50	1.54%
Operating Revenues	0.00	0.00	0.00	na	938,793.50	924,998.00	13,795.50	1.49%
Salaries and Wages	4,810.91	5,826.00	(1,015.09)	-17.42%	235,575.97	276,515.00	(40,939.03) *	-14.81%
Payroll Taxes & EE Benefits	2,746.01	3,103.00	(356.99)	-11.50%	54,704.55	126,517.00	(71,812.45) *	-56.76%
Operations & Maintenance	13,680.76	1,900.00	11,780.76 *	620.04%	119,938.71	103,520.00	16,418.71	15.86%
Contract Services	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Operating Expenses	0.00	100.00	(100.00)	-100.00%	18,091.87	29,950.00	(11,858.13)	-39.59%
G & A Allocations	16,085.51	18,582.00	(2,496.49)	-13.43%	214,948.11	214,467.00	481.11	0.22%
Internal Allocations	0.00	50.00	(50.00)	-100.00%	0.00	550.00	(550.00)	-100.00%
Depreciation	6,961.36	7,500.00	(538.64)	-7.18%	85,953.02	82,500.00	3,453.02	4.19%
Operating Expenses	44,284.55	37,061.00	7,223.55	19.49%	729,212.23	834,019.00	(104,806.77) *	-12.57%
Total Operating	**(44,284.55)**	**(37,061.00)**	**(7,223.55)**	**19.49%**	**209,581.27**	**90,979.00**	**118,602.27**	**130.36%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	1,331.29	0.00	1,331.29	na	10,990.85	0.00	10,990.85	na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Revenues	1,331.29	0.00	1,331.29	na	10,990.85	0.00	10,990.85	na
Interest Expense	0.00	1,596.00	(1,596.00)	-100.00%	94,035.31	19,398.00	74,637.31 *	384.77%
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	0.00	1,596.00	(1,596.00)	-100.00%	94,035.31	19,398.00	74,637.31	384.77%
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**1,331.29**	**(1,596.00)**	**2,927.29**	**-183.41%**	**(83,044.46)**	**(19,398.00)**	**(63,646.46)**	**328.11%**
NET INCOME (LOSS)	**(42,953.26)**	**(38,657.00)**	**(4,296.26)**	**11.11%**	**126,536.81**	**71,581.00**	**54,955.81**	**76.77%**

* YTD Salaries and Wages & Payroll Taxes and EE Benefits are lower than budget due to lower than anticipated snowfall - driving overall under budget YTD operating expenses.

* YTD Interest Expense exceeds budget due to repayment of interfund loans.

* May Operations & Maintenance exceeds budget primarily due to equipment repair expenses.

Budget Income Statement - Propane Fund

May 31, 2026

	Month Totals This Year May	Budget May	Variance Dollar	Variance Percent	Year to Date Totals This Year YTD	Budget YTD	Variance Dollar		Variance Percent
0 - Default									
Commercial	35,515.37	37,540.00	(2,024.63)	-5.39%	658,386.97	764,590.00	(106,203.03)		-13.89%
Commercial Base Rates	13,104.00	14,232.00	(1,128.00)	-7.93%	145,772.80	156,552.00	(10,779.20)		-6.89%
Residential	22,540.66	38,322.00	(15,781.34)	-41.18%	549,326.30	692,507.00	(143,180.70)		-20.68%
Residential Base Rates	11,901.77	12,180.00	(278.23)	-2.28%	136,431.53	133,980.00	2,451.53		1.83%
KMPUD Internal Usage	1,875.32	2,346.00	(470.68)	-20.06%	31,971.23	32,278.00	(306.77)		-0.95%
Meter Charges	1,778.88	1,807.00	(28.12)	-1.56%	19,825.20	19,877.00	(51.80)		-0.26%
Other	(26.05)	0.00	(26.05)	na	3,186.17	0.00	3,186.17		na
Operating Revenues	86,689.95	106,427.00	(19,737.05)	-18.55%	1,544,900.20	1,799,784.00	(254,883.80)	*	-14.16%
Cost of Goods Sold	32,040.80	54,746.00	(22,705.20)	-41.47%	721,374.58	1,045,263.00	(323,888.42)	*	-30.99%
Salaries and Wages	6,327.33	14,097.00	(7,769.67)	-55.12%	57,140.45	153,877.00	(96,736.55)	*	-62.87%
Payroll Taxes & EE Benefits	5,023.58	7,987.00	(2,963.42)	-37.10%	48,623.96	81,433.00	(32,809.04)	*	-40.29%
Operations & Maintenance	1,781.02	1,950.00	(168.98)	-8.67%	25,271.07	28,250.00	(2,978.93)		-10.54%
Contract Services	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Operating Expenses	25.00	670.00	(645.00)	-96.27%	275.00	7,370.00	(7,095.00)		-96.27%
G & A Allocations	27,188.79	31,408.00	(4,219.21)	-13.43%	363,319.41	362,505.00	814.41		0.22%
Internal Allocations	303.34	924.00	(620.66)	-67.17%	5,140.81	13,529.00	(8,388.19)		-62.00%
Depreciation	5,998.97	5,500.00	498.97	9.07%	63,557.92	60,500.00	3,057.92		5.05%
Operating Expenses	78,688.83	117,282.00	(38,593.17)	-32.91%	1,284,703.20	1,752,727.00	(468,023.80)		-26.70%
Total Operating	**8,001.12**	**(10,855.00)**	**18,856.12**	**-173.71%**	**260,197.00**	**47,057.00**	**213,140.00**		**452.94%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Investment Income	2,216.83	0.00	2,216.83	na	18,981.23	0.00	18,981.23		na
Other	0.00	0.00	0.00	na	1,004.00	0.00	1,004.00		na
Non-Operating Revenues	2,216.83	0.00	2,216.83	na	19,985.23	0.00	19,985.23		na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00		na
Total Non-Operating	**2,216.83**	**0.00**	**2,216.83**	**na**	**19,985.23**	**0.00**	**19,985.23**		**na**
NET INCOME (LOSS)	**10,217.95**	**(10,855.00)**	**21,072.95**	**-194.13%**	**280,182.23**	**47,057.00**	**233,125.23**		**495.41%**

* YTD Operating Revenue is below budget due to lower than anticipated utilization. This is offset by under budget YTD Cost of Goods Sold.

* Salaries and Wages & Payroll Taxes and EE Benefits are below budget due to a vacant position and budget misalignment.

Budget Income Statement - Solid Waste Fund

May 31, 2026

	Month Totals This Year May	Month Totals Budget May	Month Totals Variance Dollar	Month Totals Variance Percent	Year to Date Totals This Year YTD	Year to Date Totals Budget YTD	Year to Date Totals Variance Dollar	Year to Date Totals Variance Percent
0 - Default								
Commercial	2,194.65	0.00	2,194.65	na	24,141.15	0.00	24,141.15 *	na
Residential	31,066.49	30,867.00	199.49	0.65%	341,645.29	339,537.00	2,108.29	0.62%
Other	(9.76)	100.00	(109.76)	-109.76%	960.52	1,100.00	(139.48)	-12.68%
Operating Revenues	33,251.38	30,967.00	2,284.38	7.38%	366,746.96	340,637.00	26,109.96	7.67%
Salaries and Wages	466.62	1,813.00	(1,346.38)	-74.26%	16,653.38	19,943.00	(3,289.62)	-16.50%
Payroll Taxes & EE Benefits	224.08	966.00	(741.92)	-76.80%	7,256.83	9,864.00	(2,607.17)	-26.43%
Operations & Maintenance	10,722.60	10,100.00	622.60	6.16%	237,399.21	196,100.00	41,299.21 *	21.06%
Contract Services	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
G & A Allocations	5,978.69	6,907.00	(928.31)	-13.44%	79,892.24	79,716.00	176.24	0.22%
Internal Allocations	0.00	0.00	0.00	na	1,849.60	1,848.00	1.60	0.09%
Depreciation	457.20	450.00	7.20	1.60%	5,029.20	4,950.00	79.20	1.60%
Operating Expenses	17,849.19	20,236.00	(2,386.81)	-11.79%	348,080.46	312,421.00	35,659.46	11.41%
Total Operating	**15,402.19**	**10,731.00**	**4,671.19**	**43.53%**	**18,666.50**	**28,216.00**	**(9,549.50)**	**-33.84%**
Contribution Revenues	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Investment Income	365.70	0.00	365.70	na	2,672.98	0.00	2,672.98	na
Other	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Revenues	365.70	0.00	365.70	na	2,672.98	0.00	2,672.98	na
Interest Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Amortization	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Non-Operating Expenses	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 Pension Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 75 OPEB Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
GASB 68 & 75 Expense	0.00	0.00	0.00	na	0.00	0.00	0.00	na
Total Non-Operating	**365.70**	**0.00**	**365.70**	**na**	**2,672.98**	**0.00**	**2,672.98**	**na**
NET INCOME (LOSS)	**15,767.89**	**10,731.00**	**5,036.89**	**46.94%**	**21,339.48**	**28,216.00**	**(6,876.52)**	**-24.37%**

* YTD Operating Revenues are above budget due Commercial sales / income, which was not captured in the FY 2026 budget.

* YTD Contract Services exceeds budget by $41,299 due to increased waste removal costs passed along to KMPUD by Republic Waste.

June Preliminaries

June 30, 2026	This Year June	Budget June	Variance Dollar	This Year YTD	Budget YTD	Variance Dollar
	---Month Totals---			---Year to Date Totals---		
Commercial	78,463.18	68,455.00	10,008.18	2,143,075.97	1,982,711.00	160,364.97
Commercial Base Rates	272,451.15	267,159.00	5,292.15	3,202,518.19	3,205,908.00	(3,389.81)
Residential	94,824.15	97,838.00	(3,013.85)	1,779,440.60	2,103,082.00	(323,641.40)
Residential Base Rates	184,735.05	176,614.00	8,121.05	2,191,204.95	2,119,368.00	71,836.95
KMPUD Internal Usage	60,355.23	57,266.00	3,089.23	812,698.78	896,023.00	(83,324.22)
Meter Charges	9,734.44	8,235.00	1,499.44	113,230.17	98,820.00	14,410.17
Property Taxes	82,340.00	82,340.00	0.00	988,080.00	988,080.00	0.00
Other	21,994.26	14,672.00	7,322.26	1,153,950.43	1,069,314.00	84,636.43
Operating Revenues	804,897.46	772,579.00	32,318.46	12,384,199.09	12,463,306.00	(79,106.91)

CASH FLOW REPORT	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	March 2026	April 2026	May 2026	CASH FLOW FORCAST June 2026
	CASH FLOWS TO DATE											
CASH FLOWS FROM OPERATIONS												
Receipts from customers	$ 686,440	$ 526,069	$ 713,438	$ 1,075,136	$ 679,144	$ 1,376,199	$ 1,320,472	$ 1,115,732	$ 1,107,273	$ 976,179	$ 1,292,094	$ 387,786
Payments to suppliers	(852,322)	(155,380)	(316,205)	(597,596)	(306,250)	(457,054)	(83,594)	(703,135)	(478,744)	(762,755)	49,018	240,663
Payments to employees	(202,984)	(189,349)	(214,154)	(206,699)	(199,540)	(244,272)	(217,179)	(214,881)	(221,517)	(204,704)	(196,421)	(214,609)
Total cash from operating activities	(368,866)	181,340	183,079	270,841	173,354	674,873	1,019,699	197,716	407,012	8,720	1,144,691	413,840
CASH FLOWS FROM INVESTMENTS (including Capital)												
Purchase of capital assets	(43,543)	(906,761)	(33,501)	(116,275)	(222)	(2,879)	(404,311)	(2,315)	(8,654)	(23)	(25,908)	(174)
Proceeds from long-term debt		460,000				1,104,605		272,782		7,170,000		
Long-term debt - principal paid	(14,200)	(5,582)	(359,320)	(6,431)	(6,401)	(361,513)	(6,476)	(6,561)	(371,182)	(7,114,822)	(7,933)	(370,360)
Interest paid on long-term debt	(53,821)	(107,760)	(387,450)	(31,360)	(27,389)	(386,449)	(30,725)	(28,025)	(378,765)	(43,450)	(2,033)	(391,122)
Net cash from capital and related financing activities	(111,564)	(560,103)	(780,271)	(154,066)	(34,012)	353,764	(441,512)	235,881	(758,601)	11,705	(35,874)	(761,656)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts from property taxes and other non-operating revenues and expenses	121,324	174,005	92,528	106,316	105,584	154,914	95,932	94,178	95,508	98,180	98,398	82,340
NET CHANGE IN CASH AND CASH EQUIVALENTS	(359,106)	(204,758)	(504,664)	223,091	244,926	1,183,551	674,119	527,775	(256,081)	118,605	1,207,215	(265,476)
CASH AND CASH EQUIVALENTS, beginning of period	6,222,974	5,863,868	5,659,110	5,154,446	5,377,537	5,622,463	6,806,014	7,480,133	8,007,908	7,751,827	7,870,432	9,077,647
CASH AND CASH EQUIVALENTS, end of period	$ 5,863,868	$ 5,659,110	$ 5,154,446	$ 5,377,537	$ 5,622,463	$ 6,806,014	$ 7,480,133	$ 8,007,908	$ 7,751,827	$ 7,870,432	$ 9,077,647	$ 8,812,171

BUDGET TO ACTUAL SUMMARY												
Operating Fund - Revenue (Budget)	1,587,987	1,777,788	1,216,507	1,388,711	1,598,984	449,106	812,333	1,187,573	845,057	1,137,558	1,378,725	907,260
Operating Fund - Revenue (Actual)	1,480,747	1,632,145	1,572,917	1,482,941	1,714,466	2,107,505	2,765,471	3,454,525	1,765,003	1,839,316	2,916,000	2,650,524
Variance	(107,240)	(145,643)	356,410	94,230	115,482	1,658,399	1,953,138	2,266,952	919,946	701,758	1,537,275	1,743,264
Capital Reserve (Budget)	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304	3,523,304
Capital Reserve (Actual)	3,536,103	3,179,747	2,731,318	3,041,190	3,051,611	3,908,233	3,921,669	3,687,497	4,973,423	4,989,117	4,955,249	4,955,249
Variance	12,799	(343,557)	(791,986)	(482,114)	(471,693)	384,929	398,365	164,193	1,450,119	1,465,813	1,431,945	1,431,945

CURRENT ASSETS - FUND DETAIL												
Operating Fund - Revenue	$ 1,480,747	$ 1,632,145	$ 1,572,917	$ 1,482,941	$ 1,714,466	$ 2,107,505	$ 2,765,471	$ 3,454,533	$ 1,765,003	$ 1,839,316	$ 2,916,000	$ 2,650,524
Capital Reserve	3,536,103	3,179,747	2,731,318	3,041,190	3,051,611	3,908,233	3,921,669	3,687,497	4,973,423	4,989,117	4,955,249	4,955,249
KVFD Reserve	161,304	161,889	162,456	163,182	163,797	164,369	164,935	165,434	165,980	166,503	167,043	167,043
Restricted	685,715	685,329	687,755	690,224	692,589	625,907	628,058	700,444	847,421	853,709	1,039,355	1,039,355
	$ 5,863,869	$ 5,659,110	$ 5,154,446	$ 5,377,537	$ 5,622,463	$ 6,806,014	$ 7,480,133	$ 8,007,908	$ 7,751,827	$ 7,848,645	$ 9,077,647	$ 8,812,171

OPERATING FUND BREAKDOWN - GENERAL LEDGER BALANCE												
Petty	$ 225	$ 225	$ 225	$ 225	$ 225	$ 181	$ 181	$ 181	$ 181	$ 181	$ 181	
LAIF	12,022	12,022	12,022	12,154	12,154	12,154	12,282	12,282	12,282	12,402	12,402	
General	57,663	57,883	58,245	58,093	59,044	60,100	59,564	59,564	56,812	59,668	59,668	
Operating Fund - Revenue	1,406,648	1,547,826	1,488,236	1,356,423	1,628,854	2,020,204	2,678,578	3,367,640	1,638,369	1,752,199	2,828,883	
Payroll Clearing	4,189	4,189	4,189	46,046	4,189	4,866	4,866	4,866	47,359	4,866	4,866	
Meadow Stone Loan Payment	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Total Operating Fund	$ 1,480,747	$ 1,632,145	$ 1,572,917	$ 1,482,941	$ 1,714,466	$ 2,107,505	$ 2,765,471	$ 3,454,533	$ 1,765,003	$ 1,839,316	$ 2,916,000	$ -

BANK STATEMENT BALANCES											
Five Star Bank - Revenue Bank Statement	$ 1,379,284	$ 1,451,394	$ 1,297,297	$ 1,321,233	$ 1,539,467	$ 1,009,936	$ 2,603,359	$ 3,299,548	$ 1,607,252	$ 1,751,703	$ 2,776,221
Reconciling Items (e.g. uncleared checks)	27,364	96,432	190,939	35,190	89,387	1,010,268	75,219	68,092	31,117	496	52,662
Operating Fund - Revenue	$ 1,406,648	$ 1,547,826	$ 1,488,236	$ 1,356,423	$ 1,628,854	$ 2,020,204	$ 2,678,578	$ 3,367,640	$ 1,638,369	$ 1,752,199	$ 2,828,883
Five Star Bank - Capital Reserve Bank Statement	$ 3,536,103	$ 3,179,747	$ 2,731,318	$ 3,041,190	$ 3,051,612	$ 3,908,233	$ 3,921,669	$ 3,687,497	$ 4,973,423	$ 4,989,117	$ 4,955,249

KVFD & Playground 501(c)(3)

Balance Sheet - Consolidated

June 30, 2026

	Actual June, 2026	Budget June, 2026	Variance
ASSETS			
Assets			
Total Total PG Cash	49,945.17	0.00	49,945.17
Total Total KVFD Cash	152,619.33	0.00	152,619.33
Total CWIP PG - Playground	70,285.49	0.00	70,285.49
Total CWIP KVFD	52,088.07	0.00	52,088.07
Total KVFD Prepaid Expenses	75.00	0.00	75.00
Total Assets	325,013.06	0.00	325,013.06
Total Assets	325,013.06	0.00	325,013.06
Total Assets and Deferred Outflows	**325,013.06**	0.00	325,013.06
LIABILITIES			
Liabilities			
Total PG Accounts Payable	0.00	0.00	0.00
Total KVFD Accounts Payable	0.00	0.00	0.00
Total Summer Festival Advance Donations	3,695.00	0.00	3,695.00
Total Summer Festival Advance Tickets	1,525.00	0.00	1,525.00
Total Liabilities	5,220.00	0.00	5,220.00
Total Liabilities	5,220.00	0.00	5,220.00
Total Liabilities and Deferred Inflows	**5,220.00**	0.00	5,220.00
EQUITY			
Equity			
Total Equity	264,979.88	0.00	264,979.88
Total Equity	264,979.88	0.00	264,979.88
Total Equity	264,979.88	0.00	264,979.88
Total Liabilities, Deferred Inflows, and Equity	**270,199.88**	0.00	270,199.88

Database: Fire Live
Parameters: {GlAcct.AcctType} in ["A", "L", "Q"] and {?Period to Post} = {GlAcctBal.PeriodPost}

Report:D:\Homedir\PCS\Reports\ClientCustom\Calendar Combined Balance.rpt
Last Modified: 10/13/2017

Budget Income Statement - KVFD Fund

June 30, 2026

	Month Totals				Year to Date Totals			
	This Year June	Budget June	Variance Dollar	Variance Percent	This Year YTD	Budget YTD	Variance Dollar	Variance Percent
1 - KVFD								
Donations	1,000.00	0.00	1,000.00	na	76,601.12	0.00	76,601.12	na
Revenue	1,000.00	0.00	1,000.00	na	76,601.12	0.00	76,601.12	na
Total Revenue	**1,000.00**	**0.00**	**1,000.00**	**na**	**76,601.12**	**0.00**	**76,601.12**	**na**
Bank Fees	0.00	0.00	0.00	na	372.07	0.00	372.07	na
Contract Services	0.00	0.00	0.00	na	1,870.00	0.00	1,870.00	na
Supplies & Operating Materials	0.00	0.00	0.00	na	88,380.35	0.00	88,380.35	na
Expenses	0.00	0.00	0.00	na	90,622.42	0.00	90,622.42	na
Total Expenses	**0.00**	**0.00**	**0.00**	**na**	**(90,622.42)**	**0.00**	**(90,622.42)**	**na**
NET INCOME (LOSS)	**1,000.00**	**0.00**	**1,000.00**	**na**	**(14,021.30)**	**0.00**	**(14,021.30)**	**na**

STAFF REPORT

Debt Policy 390 Biennial Review

Background:

California Senate Bill 1029 (Government Code Section 8855(i)) requires local agencies that issue debt to adopt written debt management policies governing the issuance and administration of debt. The District's Debt Management Policy establishes guidelines for the issuance, management, and oversight of debt in accordance with applicable state and federal laws.

The policy outlines the purposes for which debt may be issued, identifies the roles and responsibilities of District staff and the Board, and establishes internal control procedures to ensure compliance with regulatory requirements, including reporting obligations.

Discussion:

The District's Debt Management Policy establishes a formal framework for the prudent issuance and management of debt. The policy defines when long-term and short-term debt may be used, ensures that debt is issued only for appropriate public purposes, and aligns borrowing decisions with the District's Capital Improvement Program and Operating Budget.

The policy also clarifies administrative responsibilities, including oversight of issuance processes, regulatory compliance, continuing disclosure obligations, and post-issuance monitoring. Amanda Gomez is designated as the District's Administrative Manager and is responsible for administering and overseeing all duties assigned to the role under the Debt Management Policy. By setting clear guidelines and internal controls, the policy promotes transparency, accountability, and sound financial planning.

Recommendation:

Staff recommends that the Finance Committee review and reaffirm Debt Management Policy 390 as part of the required biennial review process. Staff further recommends that the Committee determine the policy remains appropriate and effective as written, with no revisions necessary at this time.

Prepared By:

Rick Ansel

Amanda Gomez

Drafted: 05/15/2019
Enacted: 08/10/2019
Modified:
Deleted:

POLICY STATEMENT NO. 390
KIRKWOOD MEADOWS PUBLIC UTILITY DISTRICT
DEBT

A. OVERVIEW

Debt management policies are written guidelines, allowances, and restrictions that guide debt issuance practices of Board adopted issuance processes, management of a debt portfolio, and adherence to state and federal laws and regulations. A debt management policy should improve the quality of:

1. Articulate policy goals
2. Provide guidelines for the structure of debt issuance
3. Improve the quality of decisions
4. Demonstrate a commitment to long-term capital financial planning.

Adherence to the policy is essential to ensure the Kirkwood Meadows Public Utility District ("District") strives to maintain a diversified debt portfolio that supports the District's financing needs, meets compliance requirements and minimizes the District's cost of funds.

B. ROLES AND RESPONSIBILITIES

Administration Manager - The primary responsibility for debt management rests with the Administration Manager who shall:

1. Facilitate the issuance of District debt at the lowest possible cost and risk;
2. Determine the available debt of the District;
3. Facilitate the issuance of District debt at appropriate intervals and in reasonable amounts as required to fund approved and budgeted capital expenditures;
4. Recommend to the District Board of Directors ("Board") the method and manner of sale of District debt;
5. Monitor opportunities to refund debt and recommend such refunding as appropriate to reduce costs or to achieve other policy objectives;
6. Comply with all Internal Revenue Service (IRS), Municipal Securities Rulemaking Board (MSRB), Securities and Exchange Commission (SEC), and California Debt Investment Advisory Commission ("CDIAC") rules and regulations governing the issuance of debt
7. Maintain a current database with all outstanding debt;

8. Facilitate the timely payment of principal and interest on all debt;
9. Comply with all terms and conditions, including continuing disclosure, required by the legal documents governing the debt issued;
10. Submit to the Board all recommendations to issue debt in accordance with this Policy;
11. Distribute to appropriate repositories information regarding the District's financial condition and affairs at such times and in the form required by law, regulation and general practice;
12. Facilitate the frequent distribution of pertinent information to the rating agencies;
13. Apply and promote prudent fiscal practices;
14. To ensure that proceeds of any debt issued in accordance with its governing documents and this Policy.

In the case of an issue of bonds the proceeds of which will be used by a governmental entity other than the District, the District may rely upon a certification by such other governmental entity.

C. PURPOSES FOR WHICH DEBT MAY BE ISSUED

1. Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.
   a. Long-term debt financings are appropriate when some or all of the following conditions exist:

   - When the project to be financed is necessary to provide essential services.
   - When the project to be financed will provide benefit to customers over multiple years.
   - When total debt does not constitute an unreasonable burden to the District's customers.
   - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

   b. Long-term debt financings will not be considered appropriate for current operating expenses and routine maintenance expenses, unless extraordinary circumstances exist.

   c. The District may use long-term debt financings subject to the following conditions:

   - The project(s) to be financed is be approved by the board.
   - The weighted average maturity of the debt will not exceed the average useful life the project(s) to be financed by more than 20%.
   - The District estimates that sufficient revenues will be available to service the debt through its maturity.
   - The District determines that the issuance of the debt will comply with the applicable state and federal law adopted the policies described in SB 1029.

2. Short-term Debt. Short-term debt may be issued to provide financing for District operational cash flows in order to maintain a steady and even cash flow balance in line with seasonal fluctuations. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

D. METHODS OF FINANCING AND TYPES OF DEBT

The General Manager and/or Administration Manager will investigate financing alternatives including, but not limited to bonds, loans, and grants.
Cash Funding – The District funds a portion of capital improvements from capital reserves accumulated from one-time revenues and fees.
Other Loans – The District will evaluate other loan programs such as revolving fund loans or federal / state "loans" for the construction of infrastructure projects.

E. INTERNAL CONTROL PROCEDURES

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.
Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- Investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the District General Manager or his or her written designee.

F. BUDGET INTEGRATION

The decision to incur new indebtedness should be integrated with the policy decisions adopted for the Operating Budget and Capital Improvement Budget. The annual debt service payments shall be included in the Operating Budget. The District will integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed.

G. BIENNIAL REVIEW

Recognizing that cost-effective access to the capital market depends on prudent management of the District's debt program, a biennial review of the debt policy should be performed. Any substantive changes to the policy shall be brought to the Board for consideration and approval.

KMPUD Outstanding Debt as of 05/31/2026

Five Star Bank Snow Removal Equip. Loan

Original Principal Financed	$	308,844.53
Interest Rate		7.75%
Total Principal Paid	$	124,216.98
Remaining Principal Balance	$	184,627.55
Remaining Interest Owed	$	21,323.47
Total Future Payments	**$**	**205,951.02**
Maturity Date		Feb-29

Five Star Bank Meadowstone #108 Mortgage

Original Principal Financed	$	460,000.00
Interest Rate		5.17%
Total Principal Paid	$	7,355.11
Remaining Principal Balance	$	452,644.89
Remaining Interest Owed	$	195,347.53
Total Future Payments	**$**	**647,992.42**
Maturity Date		Aug-35

BMO Sun Meadows #111 Mortgage

Original Principal Financed	$	172,000.00
Interest Rate		4.60%
Total Principal Paid	$	152,349.23
Remaining Principal Balance	$	19,650.77
Remaining Interest Owed	$	1,259.58
Total Future Payments	**$**	**20,910.35**
Maturity Date		Jun-29

USDA / RUS WWTP Financing

Original Principal Financed	$	7,170,000.00
Interest Rate		1.75%
Total Principal Paid	$	-
Remaining Principal Balance	$	7,170,000.00
Remaining Interest Owed	$	2,859,995.71
Total Future Payments	**$**	**10,029,995.71**
Maturity Date		Apr-66

RUS Electric Loans

Remaining Principal Balance	$	44,964,266.14
Remaining Interest Owed	$	15,015,621.50
Total Future Payments	**$**	**59,979,887.64**
Final Note Maturity Date		Dec-52

Note		Principal		Interest		Total	Matures
1	$	754,333.01	$	250,625.90	$	1,004,958.91	Dec-47
2	$	1,131,499.33	$	372,407.61	$	1,503,906.94	Dec-47
3	$	1,508,666.03	$	501,361.93	$	2,010,027.96	Dec-47
4	$	10,927,267.33	$	3,639,407.58	$	14,566,674.91	Dec-47
5	$	1,245,403.59	$	411,064.61	$	1,656,468.20	Dec-47
6	$	1,670,223.94	$	495,751.90	$	2,165,975.84	Dec-47
7	$	5,743,648.97	$	2,356,469.57	$	8,100,118.54	Dec-47
8	$	2,133,952.23	$	950,466.79	$	3,084,419.02	Dec-47
9	$	1,245,260.98	$	554,642.21	$	1,799,903.19	Dec-47
10	$	2,122,453.43	$	901,703.29	$	3,024,156.72	Dec-47
11	$	1,238,097.72	$	525,990.38	$	1,764,088.10	Dec-47
12	$	1,269,649.49	$	480,664.56	$	1,750,314.05	Dec-47
13	$	1,530,620.30	$	573,462.99	$	2,104,083.29	Dec-47
14	$	1,534,448.02	$	593,681.90	$	2,128,129.92	Dec-47
15	$	660,580.21	$	255,580.44	$	916,160.65	Dec-47
16	$	324,280.96	$	71,269.22	$	395,550.18	Sep-34
17	$	456,835.19	$	78,714.31	$	535,549.50	Sep-32
18	$	531,373.07	$	64,319.20	$	595,692.27	Sep-30
21 Refi	$	491,831.02	$	3,644.02	$	495,475.04	Dec-27
22	$	548,201.61	$	37,103.10	$	585,304.71	Sep-28
23	$	3,717.63	$	1,013.06	$	4,730.69	Dec-47
B8 1	$	678,356.55	$	76,437.93	$	754,794.48	Sep-30
B8 2	$	753,580.62	$	47,620.82	$	801,201.44	Sep-28
B8 3	**$**	**1,308,858.41**	**$**	**16,464.60**	**$**	**1,325,323.01**	**Sep-26**
B8 8 Refi	**$**	**609,381.96**	**$**	**15,748.07**	**$**	**625,130.03**	**Dec-26**
B8 9 Refi	$	611,056.52	$	142,655.52	$	753,712.04	Dec-31
B8 10 Refi	$	598,816.02	$	96,116.02	$	694,932.04	Dec-35
C8	$	3,331,872.00	$	1,501,233.97	$	4,833,105.97	Dec-52