



Fiscal year 2025-2026

Quarter 1

July-September 2025

BOARD FINANCIAL UPDATE

FY25-26 1st Quarter Financial Update to the Board

Section 1: Budget Ordinance

Section 2: Revenue – Budget to Actual

Section 3: Fund Balance

Section 4: Internally Approved Budget Amendments

Section 5: Expenses by Dept – Budget to Actual

Section 6: I-85 Collection System Project

Section 7: Fund Balance – Available Cash



South Granville Water and Sewer Authority (SGWASA), North Carolina
Annual Budget Ordinance for Fiscal Year 2025-2026

BE IT ORDAINED by the Board Members of SGWASA, North Carolina

Section 1:

It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal period beginning July 1, 2025 and ending June 30, 2026.

In comparison to the approved FY 24-25 Budget, the FY 25-26 water sales and sewer use charges were estimated using a revenue increase of \$200,000 for water, a revenue increase of \$200,000 for sewer, and \$1,269,801 for capital.

REVENUES:

Water Revenues	\$6,500,000
Wastewater Revenues	\$9,550,000
Non-billing revenue	\$640,750
Interest Income	\$850,000
Other Financing Sources	\$0
Transfer from Fund Balance-Appropriate	\$1,345,076
Total revenues & other financing sources	\$18,885,826

The following amounts are hereby appropriated in the Water and Sewer Enterprise Fund for the fiscal period beginning July 1, 2025 and ending June 30, 2026.

<u>EXPENDITURES:</u>	<u>Dept:</u>	
Administration	7110	\$1,333,251
Human Resources	7114	\$167,276
Engineering	7118	\$639,816
Billing/Collections	7120	\$581,955
Water Treatment Plant	7133	\$2,697,891
Wastewater Treatment	7145	\$2,719,764
Utilities		
Meter Reading	7136	\$181,448
Water Line Maintenance	7139	\$1,298,747
Sewer Line Maintenance	7140	\$1,659,487
Pump Stations/Towers	8000	\$1,039,164
Depreciation/Board/Other	7200	\$2,802,292
Projects & Studies	7300	\$23,500
Debt Service	7500	\$3,741,235
Total Expenditures		\$18,885,826

Section 2:

The grand totals of estimated revenues and other financing sources and expenditures and other financing uses for all funds for the fiscal period beginning July 1, 2025 and ending June 30, 2026 are shown below.

Grand Totals - All Funds:

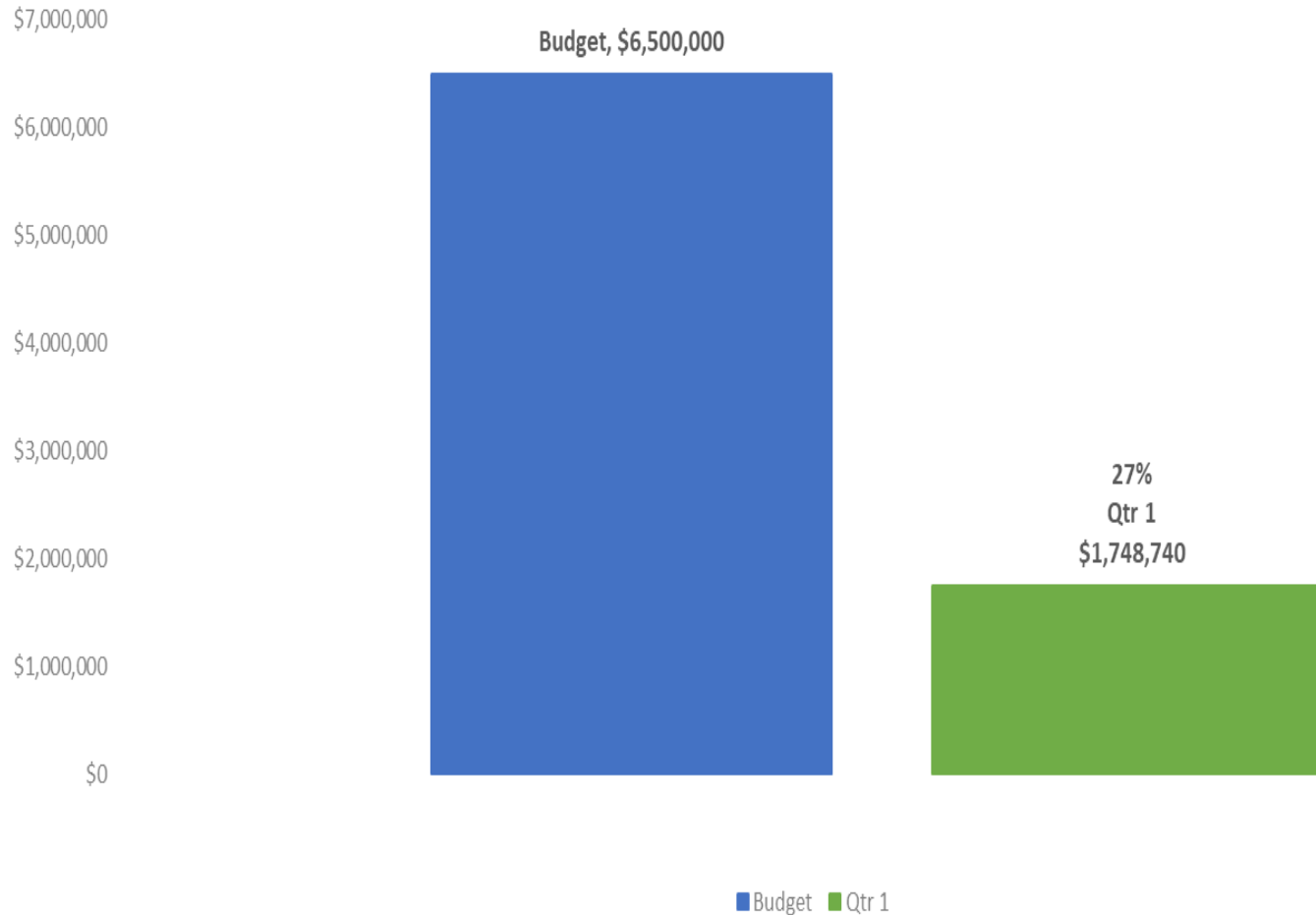
Revenues	\$18,885,826
Expenditures	\$18,885,826

Water Revenue

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or greater*



Sewer Revenue

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or greater*

\$12,000,000

\$10,000,000

\$8,000,000

\$6,000,000

\$4,000,000

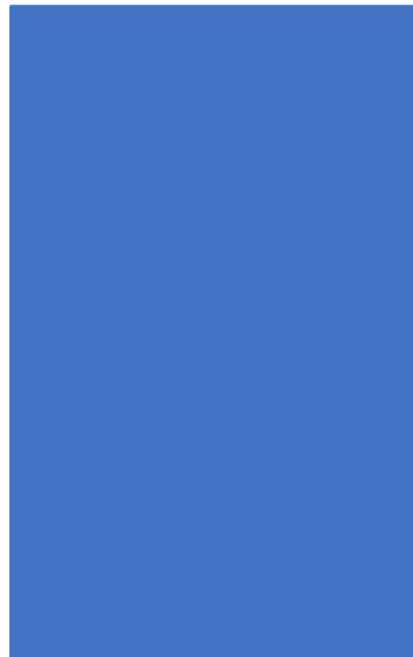
\$2,000,000

\$0

Budget, \$9,550,000

26%
Qtr 1
\$2,488,431

■ Budget ■ Qtr 1

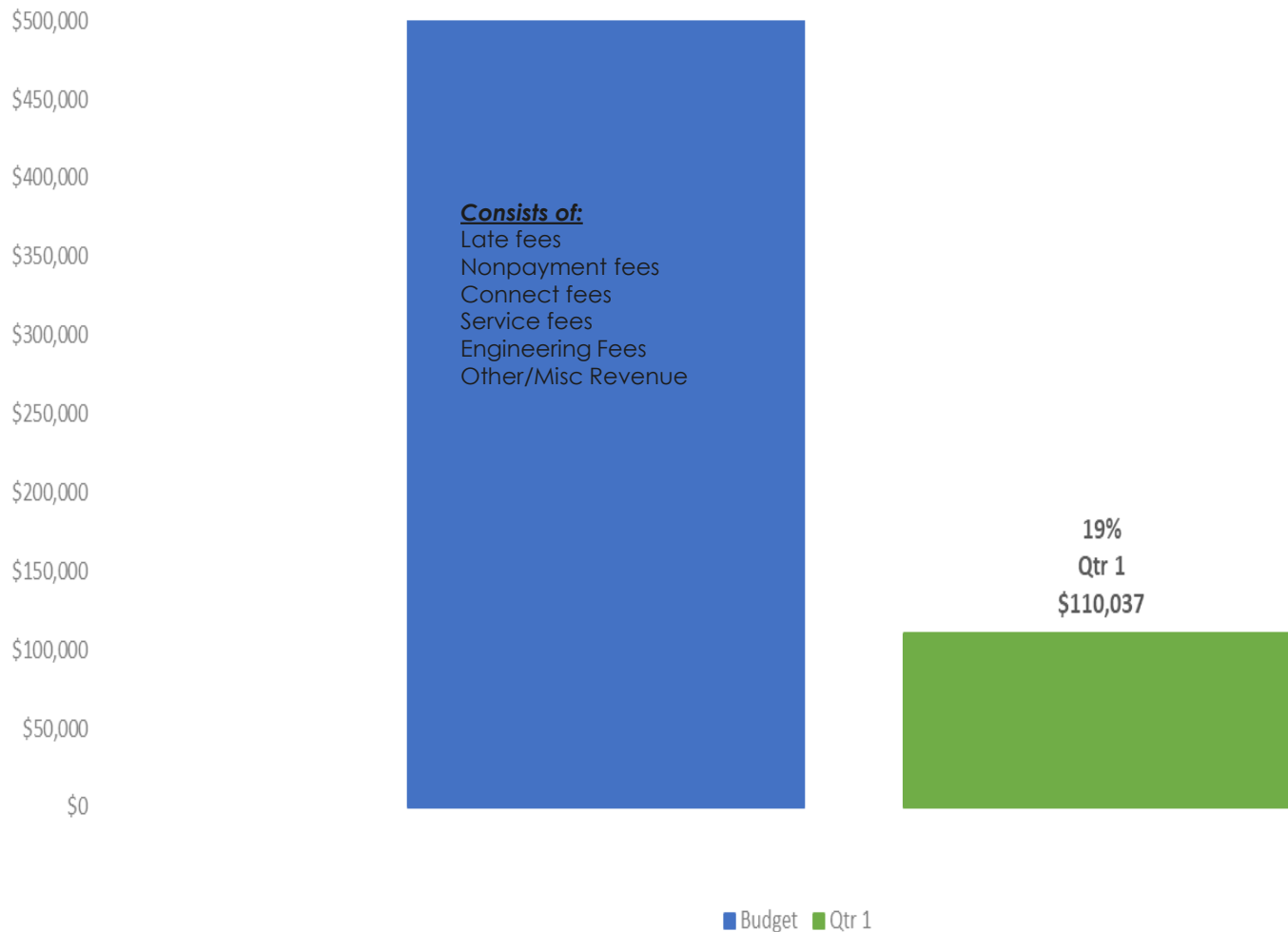


Non-Billing Revenue

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or greater*

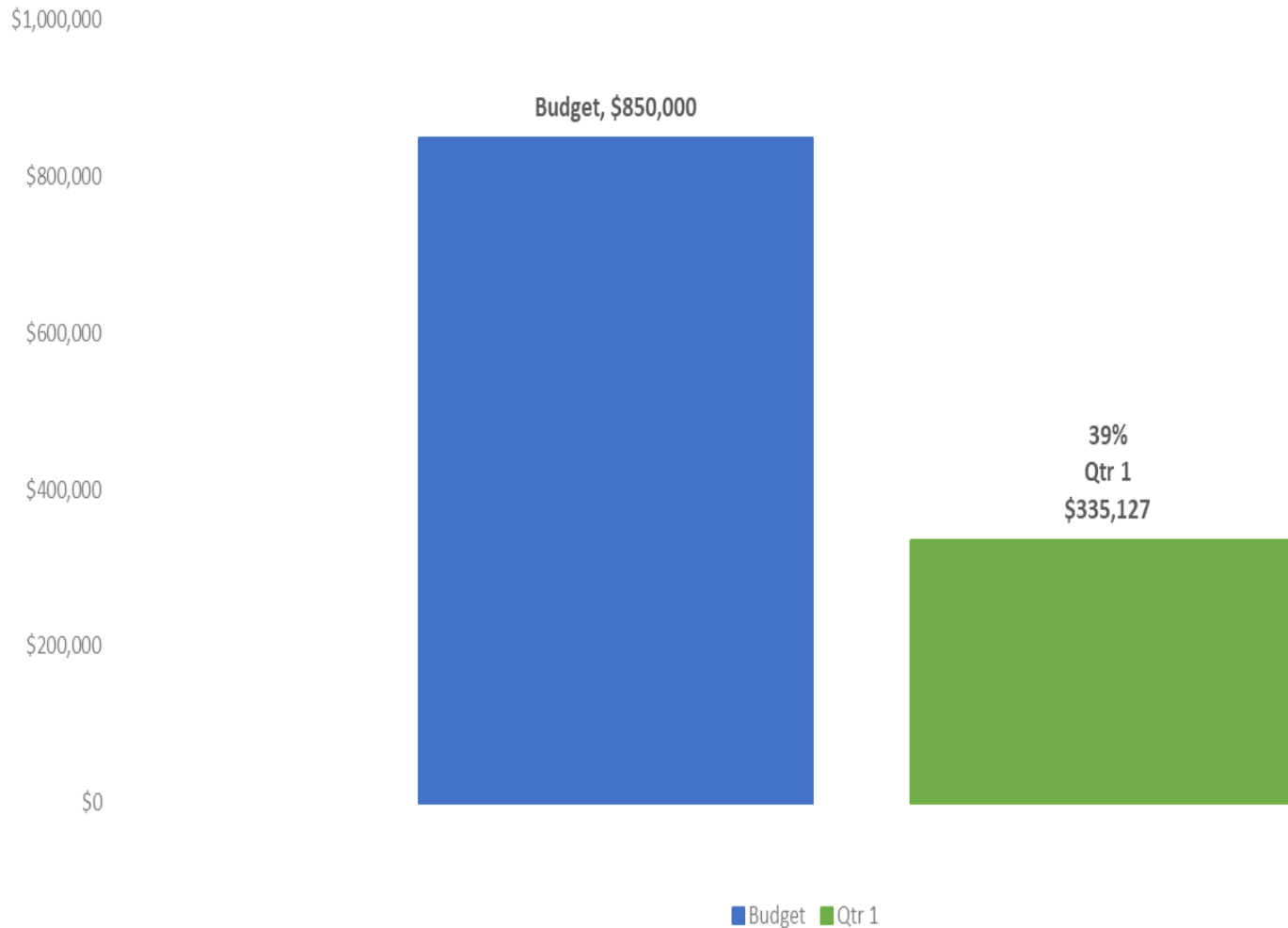


Interest Income

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or greater*



System Development Fee Revenue (SDF's)

FY 2025-2026
Budget to Actual

Zero budgeted

*Required to be assigned to a specific
capital project by Resolution
Budget Amendment presented closer to
year-end for this purpose.*

\$30,000

\$20,000

\$10,000

\$0

Budget, \$0

Qtr 1
\$22,235



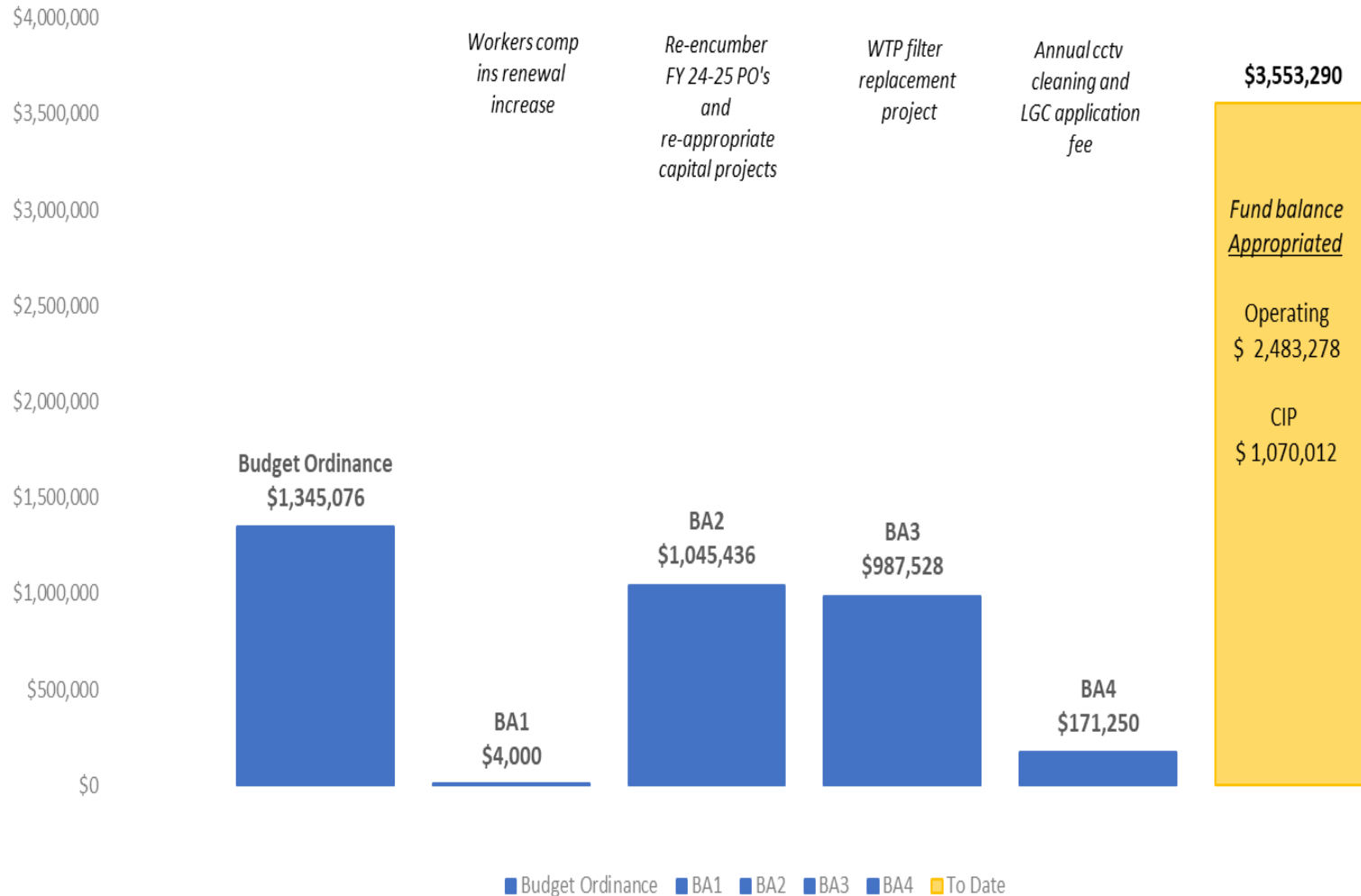
■ Budget ■ Qtr 1

Fund Balance

FY 2025-2026

Appropriated

Slide 1 of 1



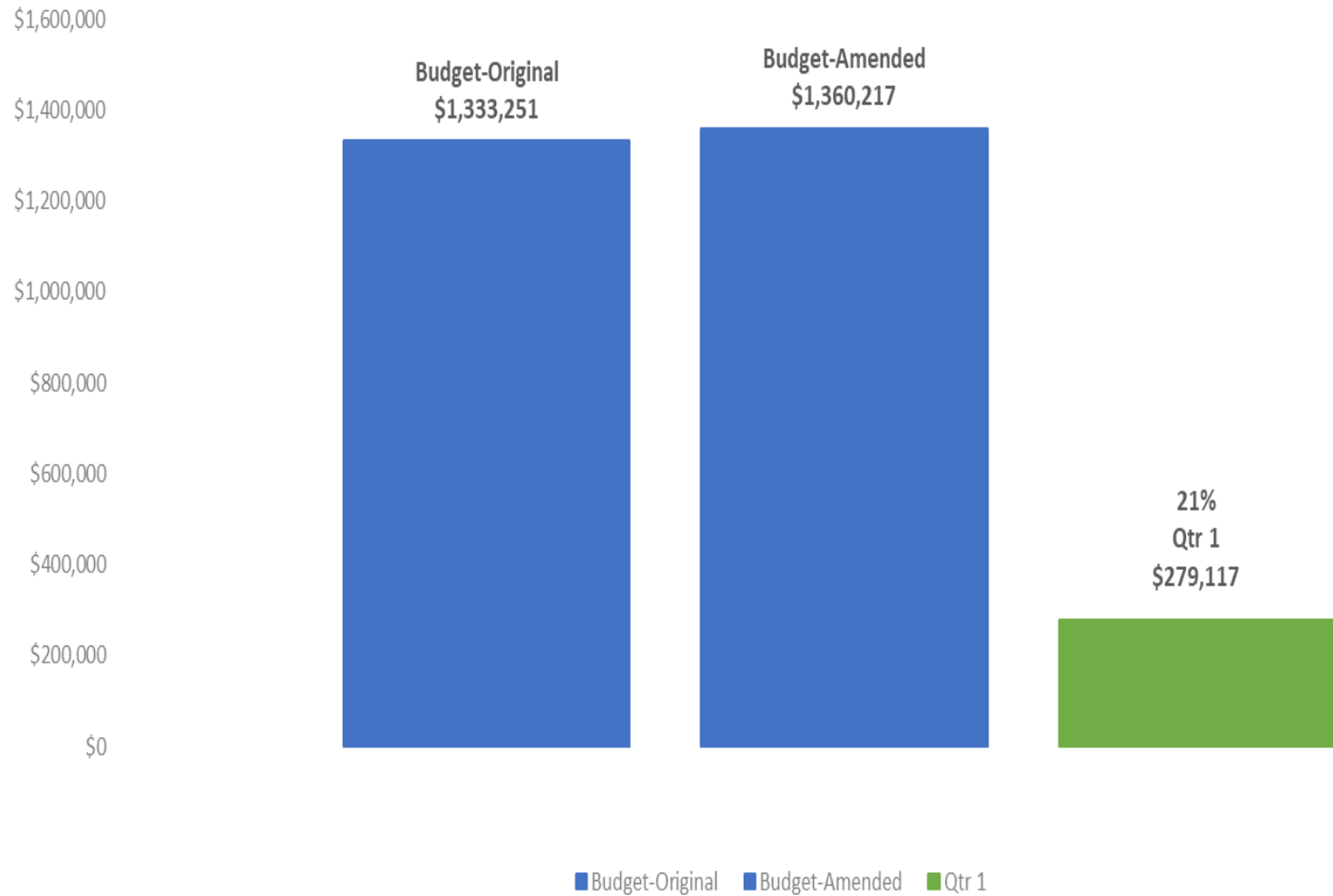
Internal Budget Amendments
Approved by Executive Director
(For Reference Only)

	<i>Amendment / Change</i>
<u>Engineering</u>	
61-7118-5100 Capital Outlay < \$5000	\$ 4,345
61-7118-2600 Office Supplies	\$ 970
61-7118-5200 Capital Outlay > \$5000	\$ (5,315)
<i>To reclassify purchase of HP Designjet XT950 & Toner for Project Manager</i>	<i>0</i>
<i>Approved 7/3/2025</i>	
<u>Water Treatment Plant</u>	
61-7133-3810 Software & I.T.	\$ 5,205
61-7133-3510 Repairs and Maintenance	\$ (5,205)
<i>To reallocate funds for Wifi Installation at WTP</i>	<i>0</i>
<i>Approved 7/16/2025</i>	

Expense : Administration

FY 2025-2026
Budget to Actual

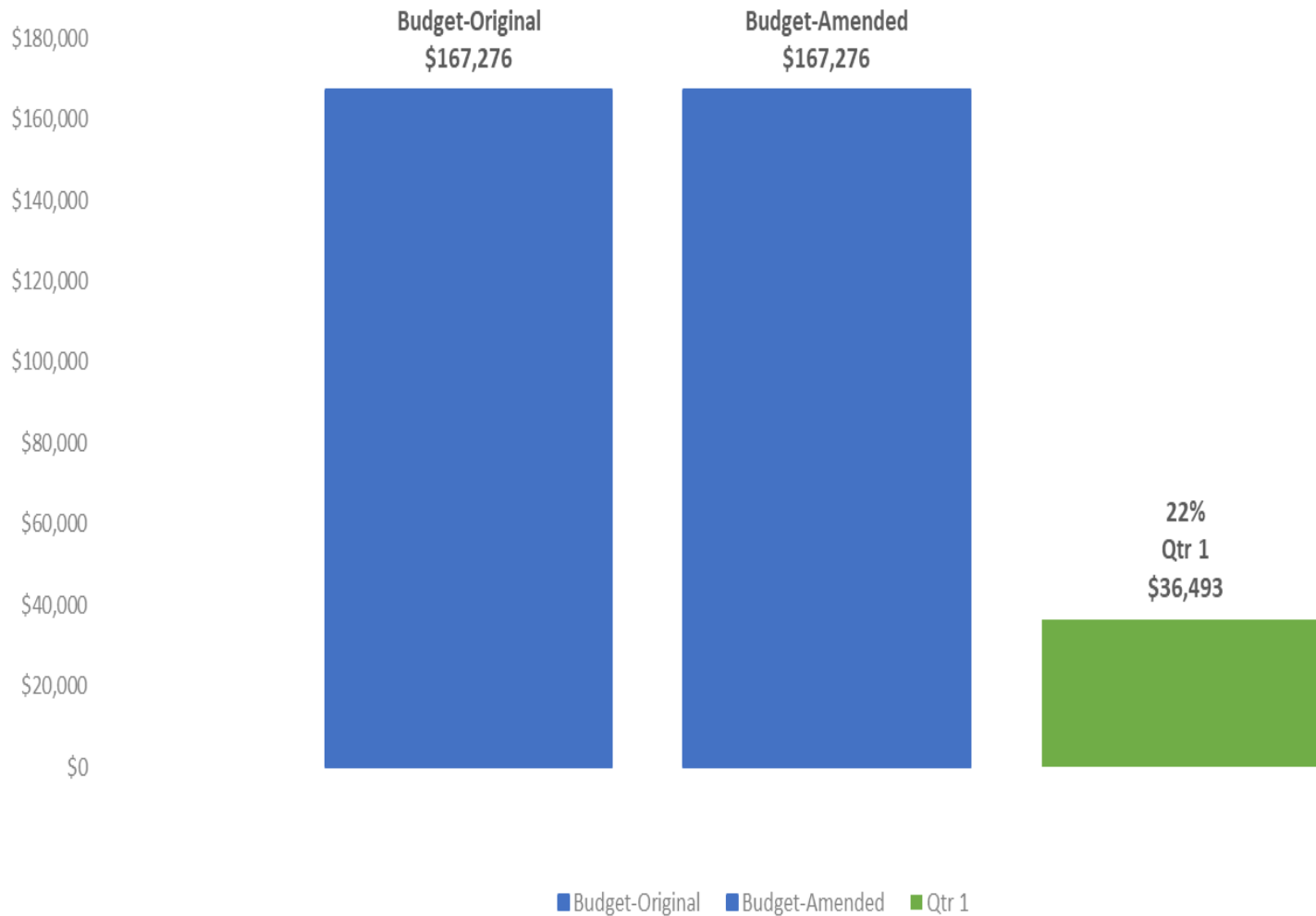
*Target Goal at end
of qtr is 25% or less*



Expense : Human Resources

FY 2025-2026
Budget to Actual

*Target Goal at end
of qtr is 25% or less*

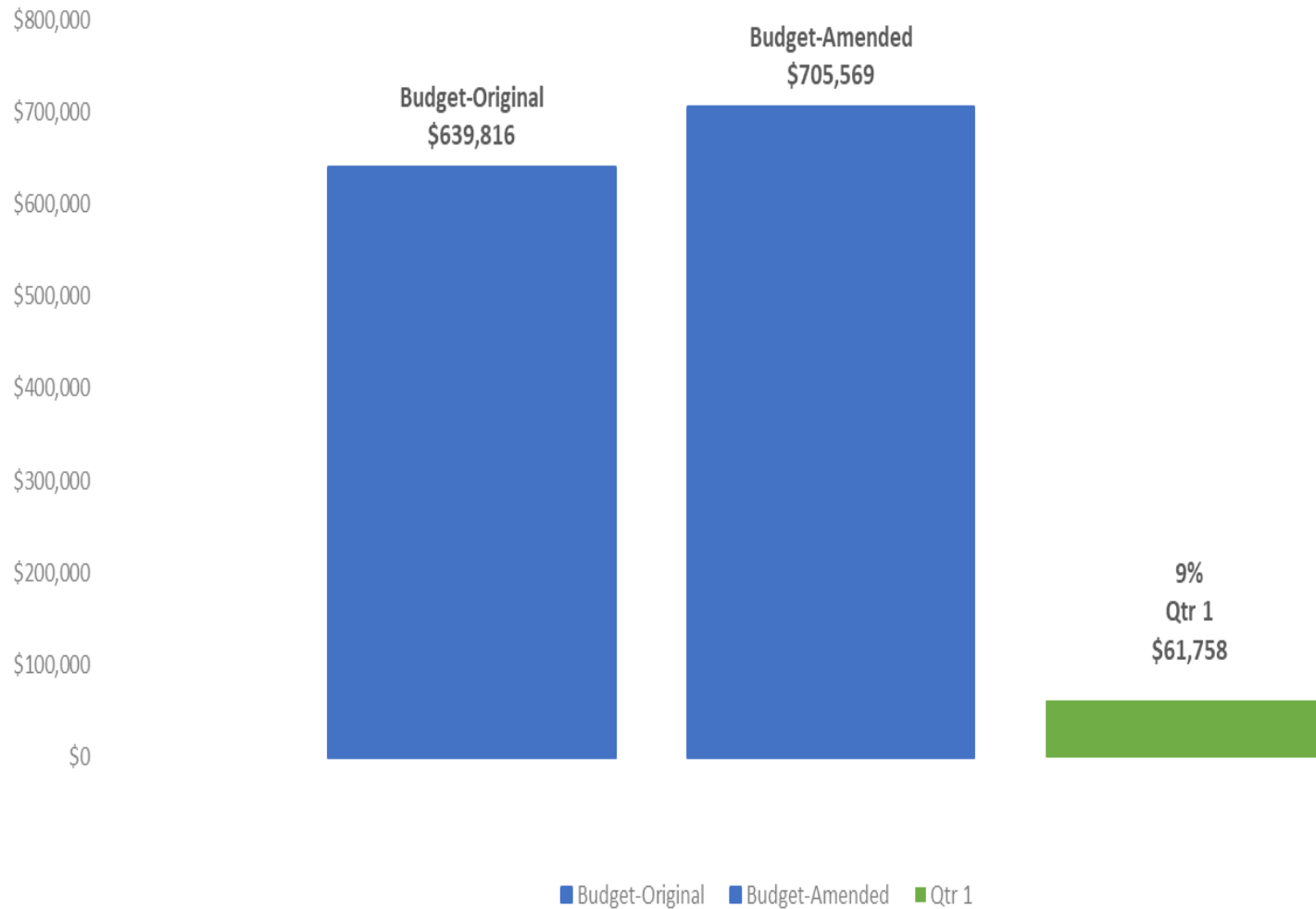


Expense : Engineering

FY 2025-2026

Budget to Actual

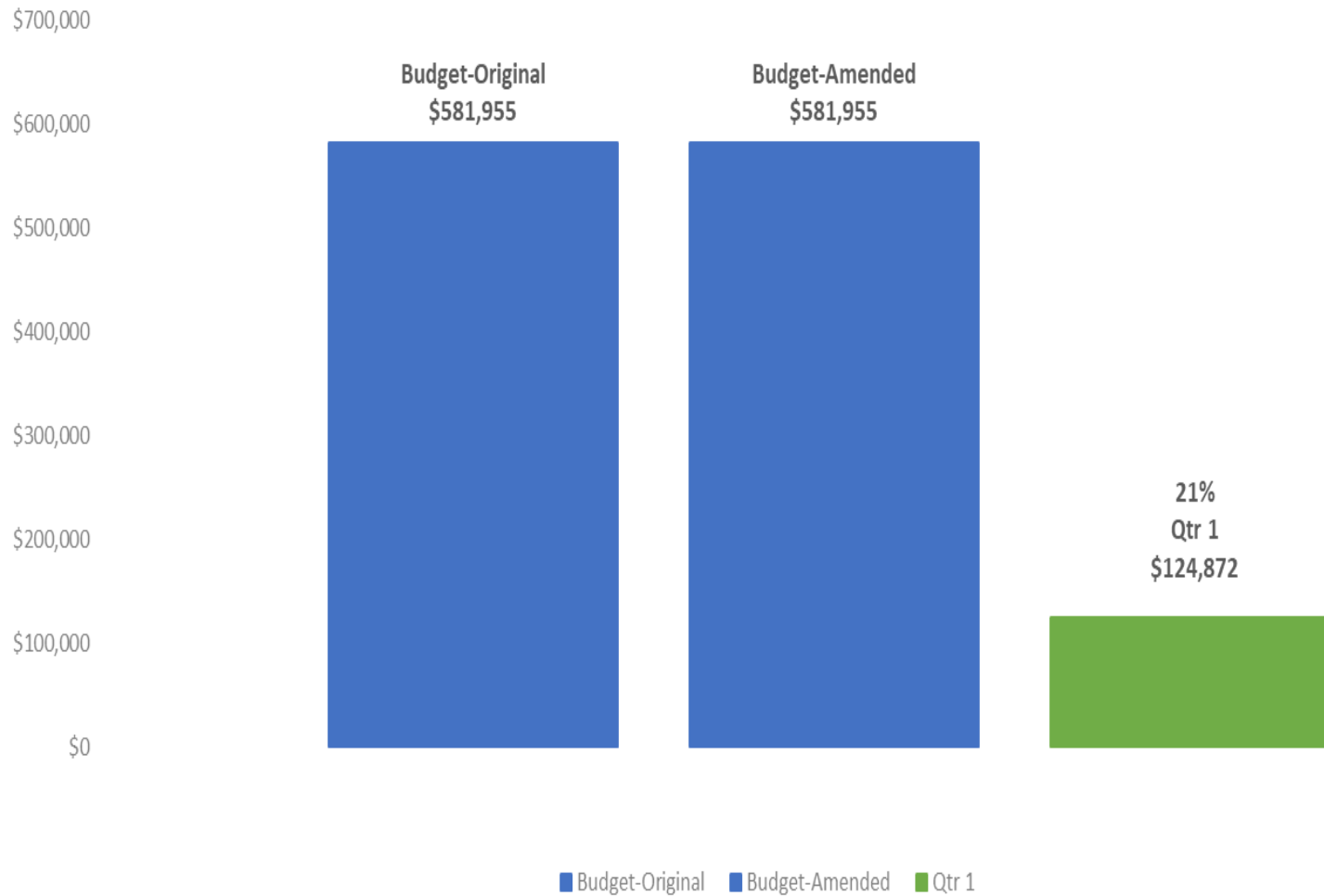
*Target Goal at end
of qtr is 25% or less*



Expense : Billing/Collections

FY 2025-2026
Budget to Actual

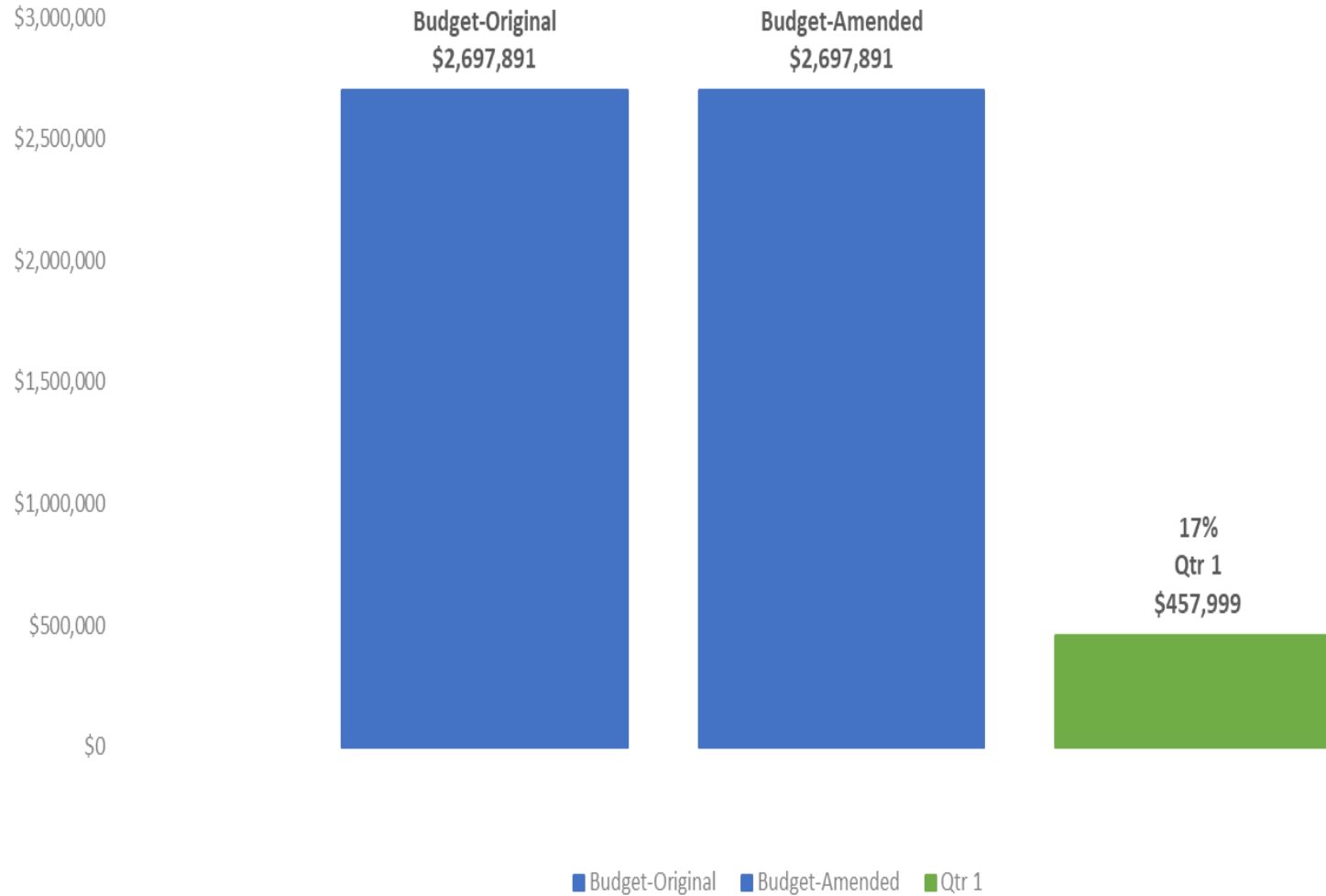
*Target Goal at end
of qtr is 25% or less*



Expense : Water Treatment

FY 2025-2026
Budget to Actual

*Target Goal at end
of qtr is 25% or less*

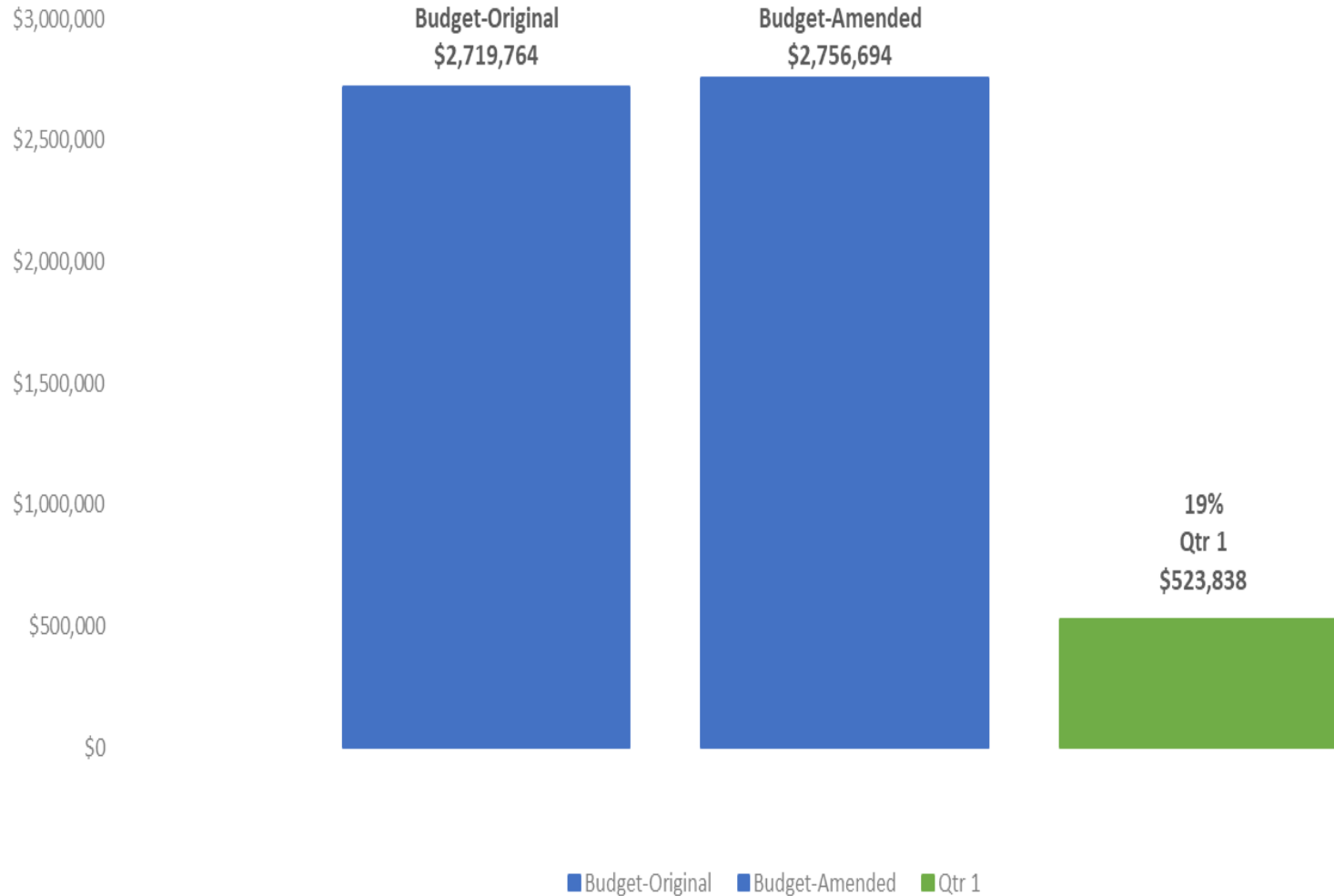


Expense : Wastewater Treatment

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or less*

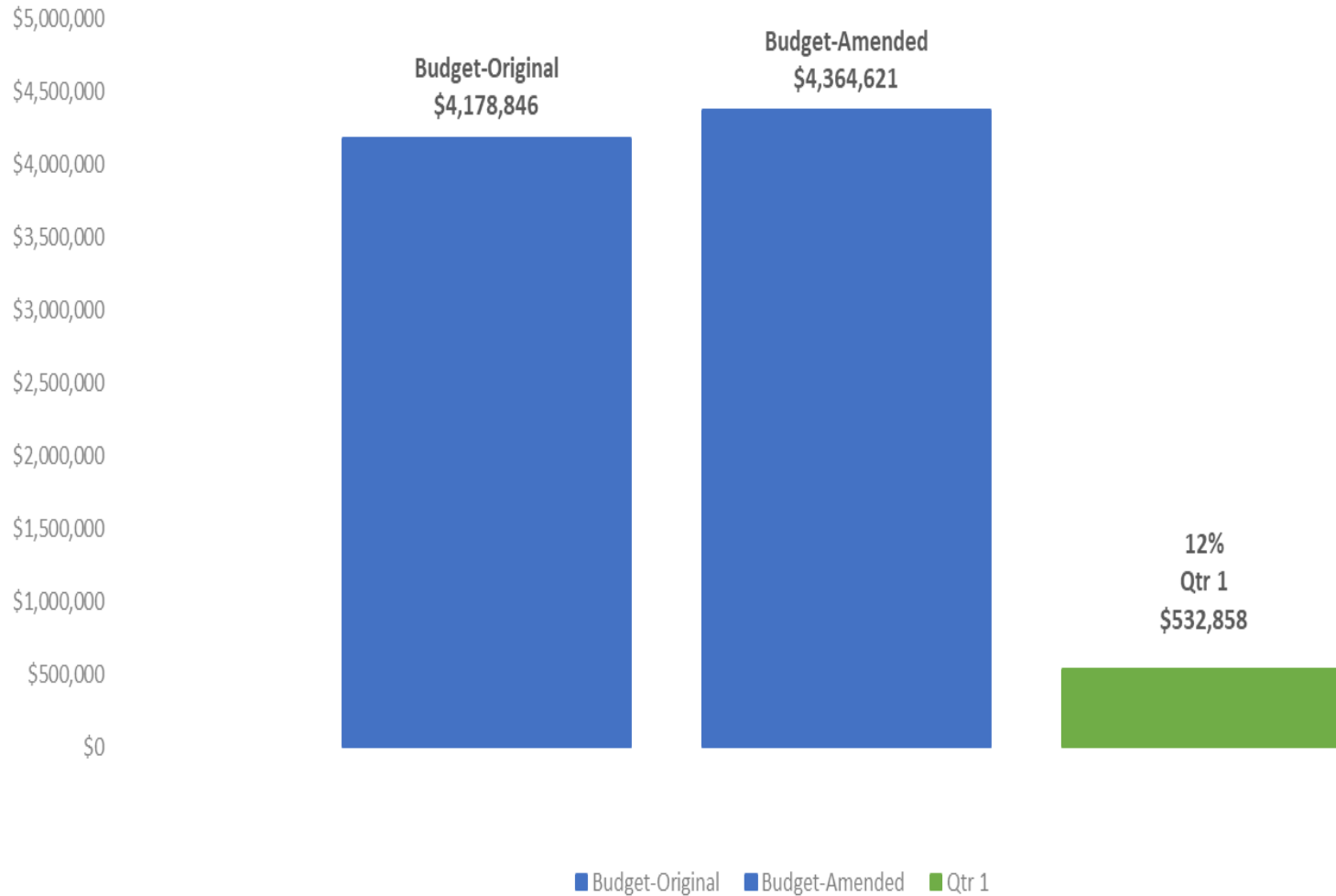


Expense : Utility Maintenance

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or less*

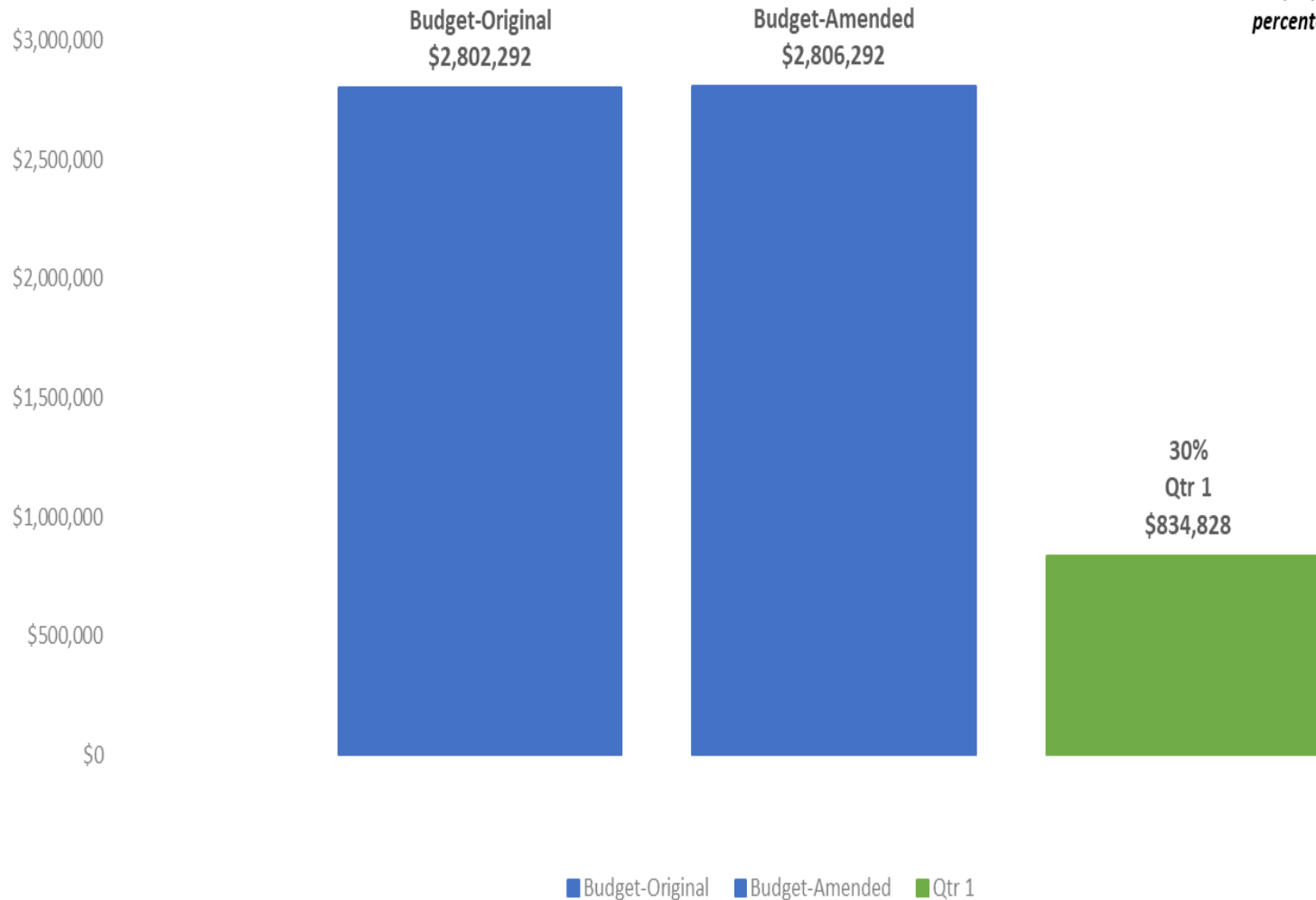


Expense : Depreciation/Board/Other

FY 2025-2026

Budget to Actual

*Target Goal at end
of qtr is 25% or less;
however insurance premiums
are prepaid in July skewing
percentages.*

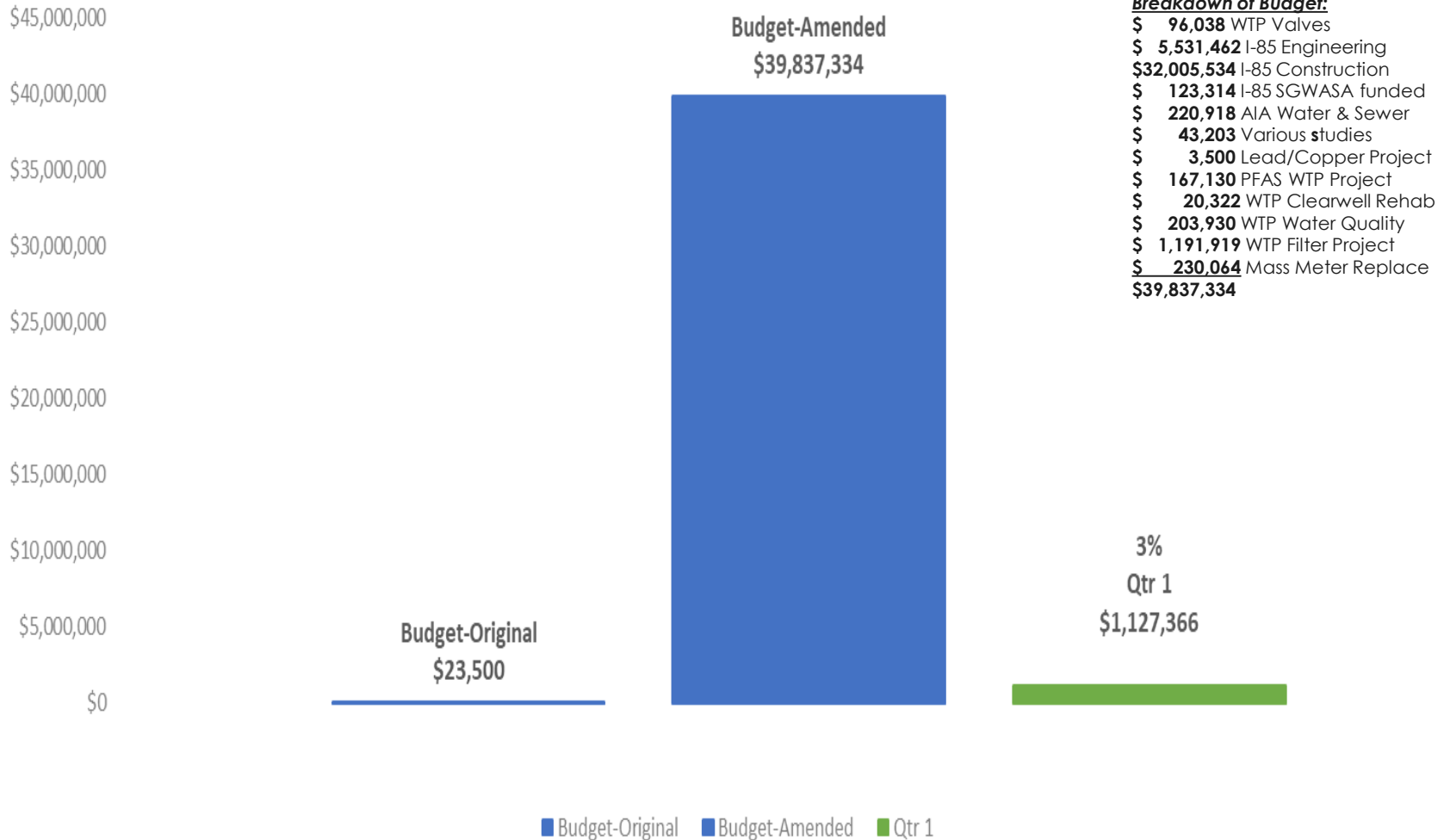


Expense : Projects & Studies

FY 2025-2026

Budget to Actual

*Target goal not applicable.
Dependent on project timing.*



Expense : Debt Service

FY 2025-2026

Budget to Actual

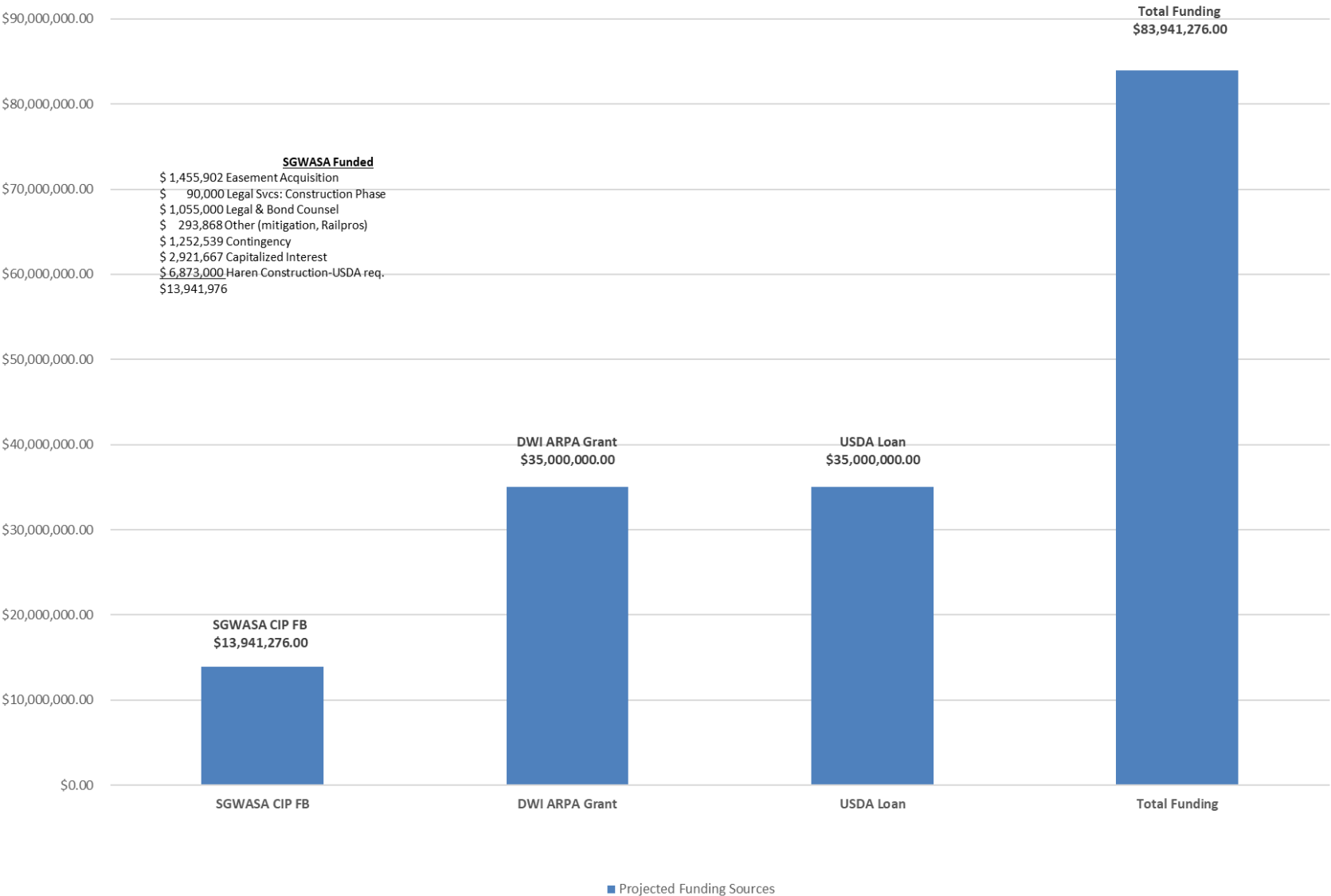
Target goal not applicable.

*Most debt service payments
are not due monthly/quarterly
therefore percentages are not
useful by qtr.*

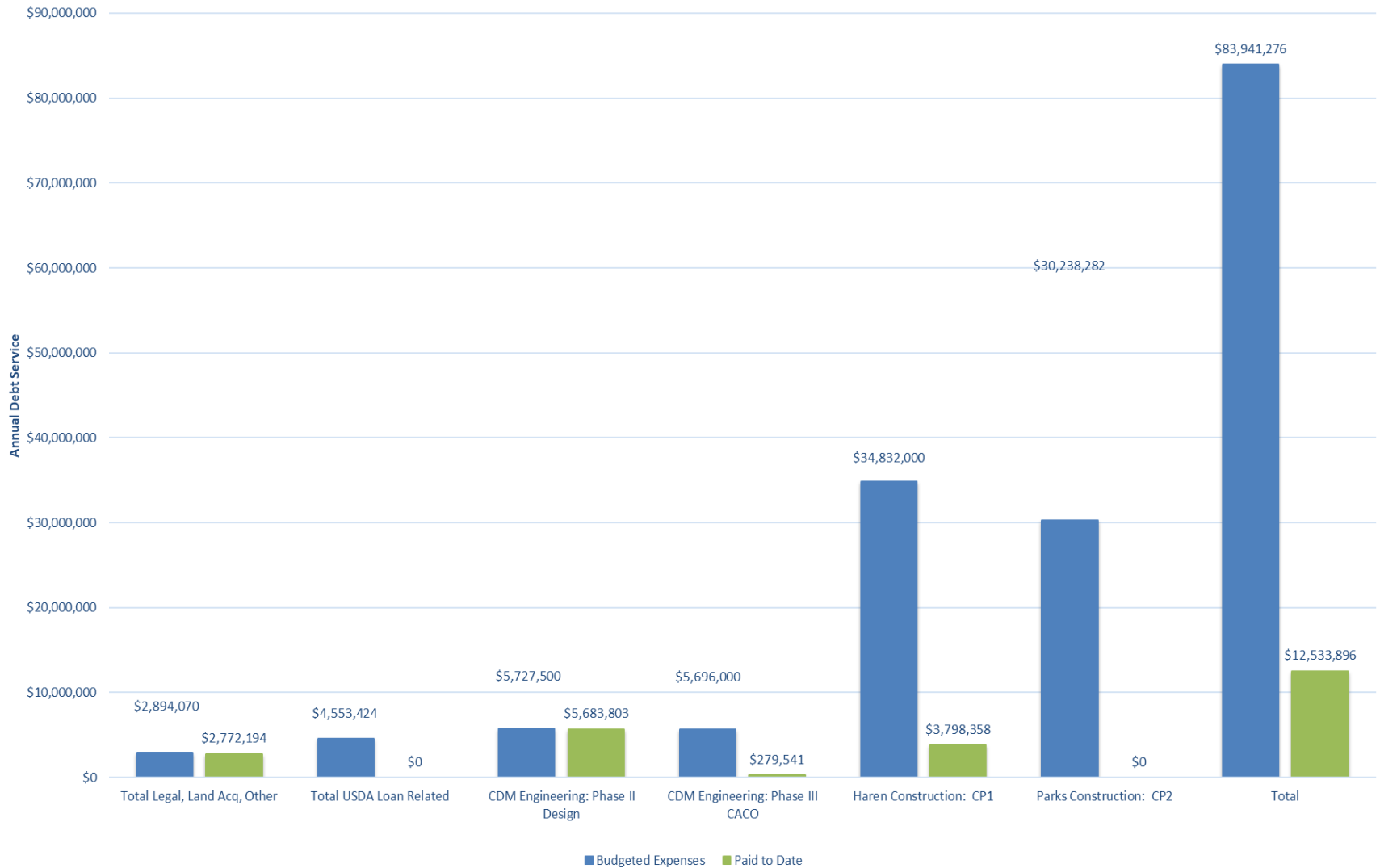


I85 Sanitary Sewer Project

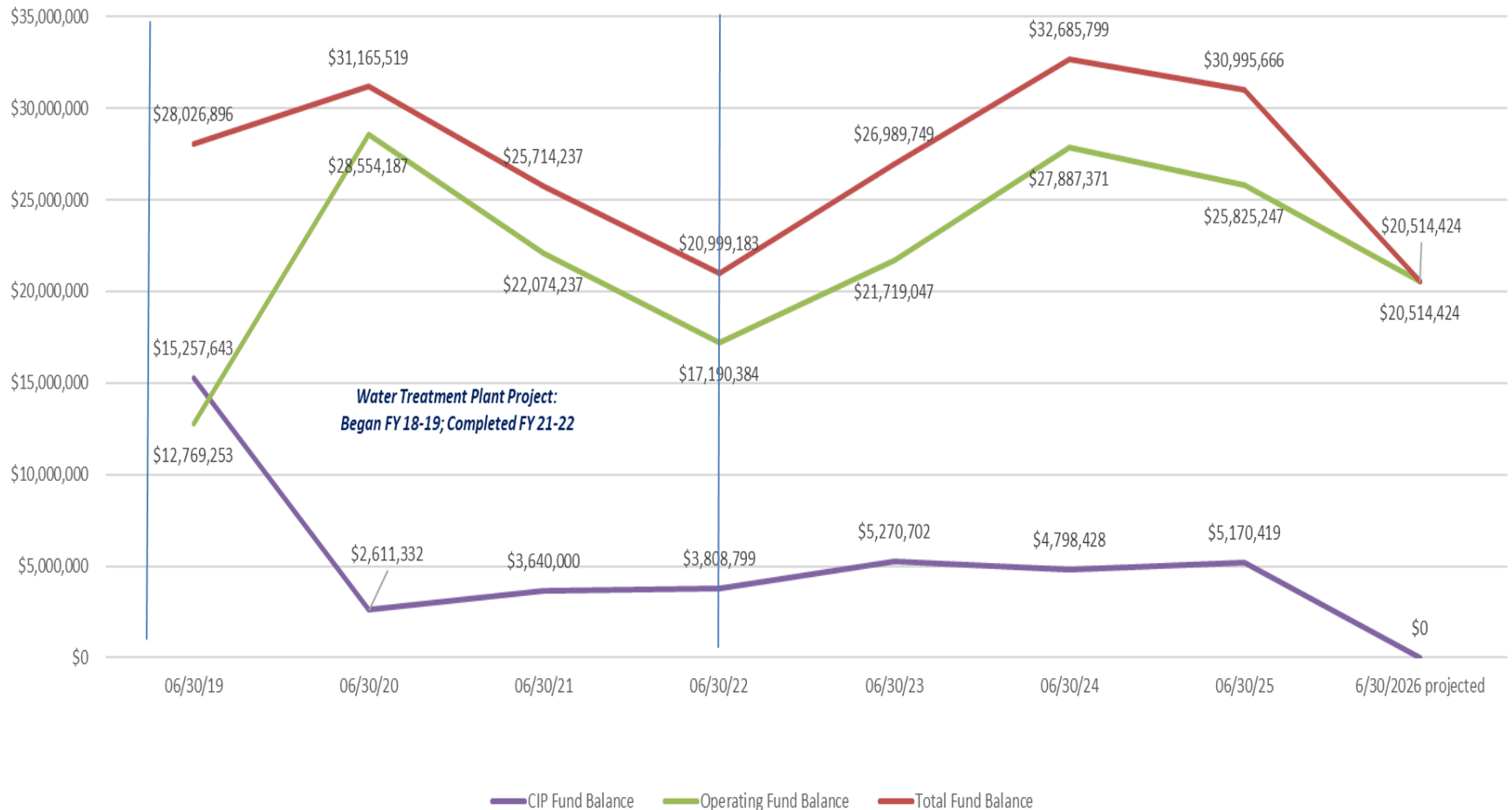
Funding Sources



185 Sanitary Sewer Project Expenditures



Fund Balance (Available Cash) Historical 7 Years & Projected 06/30/26



For purposes of the projection, 185 project commitments have been deducted. Related costs may not be incurred or funds expended within this fiscal year; however commitments have been included to identify available (uncommitted) cash.

FINANCIAL SUMMARY

FISCAL YEAR 2025-2026

QUARTER 1

Billing Revenue: Cumulative billing revenue for the fiscal year is trending in line with expectations.

Non-Billing Revenue (Fees): Overall fee revenue is tracking close to budget. However, certain fee categories are outperforming projections, while engineering fee revenue is significantly underperforming.

Interest Income: Interest earnings are slightly above forecast. This is due to interest rates remaining higher than anticipated and slower-than-expected spending of cash reserves earmarked for the I-85 project.

Operating Fund Balance: Appropriations from the operating fund are substantial, reflecting planned investments and expenditures.

Designated Capital Improvement Projects (CIP) Fund Balance: CIP fund appropriations are also significant, with the full balance expected to be utilized by fiscal year-end.

Fund Balance (available cash): Approximately 33% of the audited available cash balance as of June 30, 2025, is projected to be spent or committed by the end of the fiscal year.

Departmental Expenses: Overall departmental spending is materially consistent with the amended budget.

QUESTIONS?

