Nevada Irrigation District

# Staff Report

**TO:** Board of Directors

**FROM:** Sandra Dunlap, Finance Director
Cory Cyr, Budget Analyst

**DATE:** August 26, 2026

**SUBJECT:** FY2026 Mid-Year Budget Amendment

***FINANCE***

**RECOMMENDATION:**

Adopt a resolution approving the Mid-Year Budget Amendment.

**BACKGROUND**:

The Fiscal Year (FY) 2026 budget was adopted by the Nevada Irrigation Board of Directors on November 12, 2025. Each quarter thereafter, the budget is reviewed for accuracy and performance and adjusted internally or amended by the Board as needed.

Staff have prepared the Budget Reports for the second Quarter (Q2) ending June 30, 2026, and as part of that process have identified items within the budget requiring adjustment.

The annual budget is a living document that must be reviewed and updated for accuracy periodically. The proposed mid-year amendment improves the accuracy of this year's Budget and financial plan. The completion of the FY2025 audit has also presented significant changes to the beginning fund balances.

**REPORT SUMMARY:**

The proposed amendment results in a decrease to inflows of $134,302 and a net decrease to outflows of $503,235; including increases to operational expenses totaling $945 and decreases to capital expenses totaling $504,180. The details are as follows:

# Nevada Irrigation District

## FY2026 Mid Year Budget Amendments

| Amendment Type | Fund | Account Description | Total | Explanation |
|---|---|---|---|---|
| Revenue | 50 Hydroelectric | Hydro Support Services | (270,152) | Disencumber South Sutter Water District support. Contract discontinued prior to development of 2026 budget. |
| Revenue | 70 Internal Services | Grants - Operating | 161,299 | Complete G0005 Upper Yuba Headwaters Implementation Grant which will increase reimbursement revenue. |
| Revenue | 85 Pension Trust | Unreal Gain/Loss - Invst | (25,449) | Unrealized gain/loss for pension trust |
| | | **Total Revenue Adjustments** | **(134,302)** | **Decrease in 2026 projected Revenues** |
| | | | | |
| Operational | 21 Cement Hill | Consultant Fees | 900 | NBS Admin Services fees higher than anticipicated |
| Operational | 21 Cement Hill | Bank Fees | 25 | US Bank Fees allocated now based on pooled cash |
| Operational | 22 Rodeo Flat | Bank Fees | 20 | US Bank Fees allocated now based on pooled cash |
| | | **Sub-Total Operating Expenditures** | **945** | **Increase in 2026 projected Operating Expenditures** |
| Capital | 15 Water Capital | Equipment Purchases | (4,000) | Savings on side-by-side purchase |
| Capital | 15 Water Capital | Construction | 4,000 | Project C0059 Spray Shed - Construction cost increase due to price of payment bond |
| Capital | 15 Water Capital | Construction | (28,701) | Disencumber C0016 Combie Ophir 2 & 3 Siphon - Project Complete |
| Capital | 15 Water Capital | Construction | (26,342) | Disencumber C0058 Smith Road Crossing - Project Complete |
| Capital | 15 Water Capital | Construction | (200,000) | Disencumber C0055 Newtown Canal Diversion - Project on Hold |
| Capital | 15 Water Capital | Construction | (325,000) | Disencumber C0039 Summit Ridge Tank Replacement - Project moved to 2027 |
| Capital | 55 Hydro Capital | Maintenance & Repair | (50,000) | Disencumber C0005 Bowman North Dam - Work can't proceed this year, water level too high |
| Capital | 70 Internal Services | Consultant/Contractor | 125,863 | Complete G0005 Upper Yuba Headwaters Implementation Grant in 2026. Was going to roll over to 2027, but want to complete the work and spend remaining funds this year. |
| | | **Sub-Total Capital Expenditures** | **(504,180)** | **Decrease in 2026 projected Capital Expenditures** |
| | | **Total Expenditure Adjustments** | **(503,235)** | **Decrease in 2026 overall projected Expenditures** |
| | | | | |
| | | **Net Adjustment** | **(368,933)** | |

As a result of completing the FY2025 audit, the beginning fund balances have been increased by a total of $17,820,439. The adjustments to these fund balances are primarily due to significant savings in the last half of 2025 including projects not being completed and carried forward into 2026. These changes are as follows:

| Fund | Original Beginning Fund Balance | Updated Beginning Fund Balance | Change |
|---|---|---|---|
| 10 Water | 33,568,428 | 34,016,176 | 447,748 |
| 12 Capacity Fees | 8,977,301 | 9,560,537 | 583,236 |
| 15 Water Capital | 20,952,065 | 24,071,882 | 3,119,817 |
| 21 Cement Hill | 88,642 | (145,758) | (234,400) |
| 22 Rodeo Flat | 110,627 | 113,781 | 3,154 |
| 30 Recreation | 269,162 | 295,796 | 26,635 |
| 35 Recreation Capital | 403,583 | 382,303 | (21,280) |
| 50 Hydroelectric | 31,964,163 | 39,005,660 | 7,041,497 |
| 55 Hydro Capital | 50,227,950 | 55,922,289 | 5,694,339 |
| 70 Internal Services | - | 714,309 | 714,309 |
| 85 Pension Trust | 3,976,945 | 4,422,329 | 445,384 |
| **Total** | **150,538,865** | **168,359,304** | **17,820,439** |

**BUDGETARY IMPACT**:

The total budgetary impact of the net mid-year adjustment is a reduction of the 2026 budgeted revenues of $134,302, an overall decrease of the 2026 budgeted expenditures totaling $503,235, and an overall increase to the beginning fund balance of $17,820,439.

Approval of the proposed amendment would produce the adjustments shown in the following table to each spendable fund balance. This also includes updated beginning spendable fund balance from the 2025 audit.

| Fund | Amendment Amount | Amended Total Budget | Projected Ending Spendable Fund Balance |
|---|---|---|---|
| 10 Water | - | 59,774,513 | 24,249,852 |
| 12 Capacity Fees | - | 220,080 | 10,340,457 |
| 15 Water Capital | (580,043) | 6,233,907 | 24,618,960 |
| 21 Cement Hill | 925 | 403,545 | (231,303) |
| 22 Rodeo Flat | 20 | 44,235 | 117,046 |
| 30 Recreation | - | 4,123,093 | 295,796 |
| 35 Recreation Capital | - | 64,556 | 382,303 |
| 50 Hydroelectric | 270,152 | 31,704,189 | 35,525,796 |
| 55 Hydro Capital | (50,000) | 7,239,421 | 55,139,919 |
| 70 Internal Services | (35,436) | 23,951,398 | 189,442 |
| 85 Pension Trust | 25,449 | 8,000 | 6,388,880 |
| **Total** | **(368,933)** | **133,766,937** | **157,017,148** |

Attachments: (3)

- Draft Resolution No. 2026-32 - Approving FY2026 Mid-year Budget Amendment
- FY2026 Mid-year Budget Amendment
- Updated FY2026 Fund Balance Summary Schedule

# RESOLUTION NO. 2026-32

## OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

**FY2026 Mid-year Budget Amendment**

**WHEREAS,** the Nevada Irrigation District (District) budget for the 2026 fiscal year reflects resources to meet the essential needs of the District and the District's customers; and

**WHEREAS,** the Board of Directors adopted the 2026 Annual Budget on November 12, 2025; and

**WHEREAS,** the District's budget performance through June 30, 2026, Q2 has been reviewed; and

**WHEREAS**, the conclusion of the prior year audit has allowed for adjustments to the budget year's beginning fund balances, which have been updated and increased in total by $17,820,439; and

**WHEREAS**, adjustments to budget expenditure projections have been identified totaling a net decrease to inflows of $134,302 and a net decrease to outflows of $503,235; including increases to operational expenses totaling $945 and decreases to capital expenses totaling $504,180; and

**WHEREAS,** the amended budget will include a revised beginning fund balance of $168,359,304, total inflows of $122,424,781, total outflows of $133,766,937, and a projected ending fund balance of $157,017,148; and

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of Nevada Irrigation District as follows:

1. The Board of Directors hereby approves amending the 2026 Annual Budget decreasing inflows by $134,302 and decreasing total outflows by a net amount of $503,235 as follows:

| Fund | Inflows | Outflows |
|---|---|---|
| 10 Water | - | - |
| 12 Capacity Fees | - | - |
| 15 Water Capital | - | (580,043) |
| 21 Cement Hill | - | 925 |
| 22 Rodeo Flat | - | 20 |
| 30 Recreation | - | - |
| 35 Recreation Capital | - | - |
| 50 Hydroelectric | (270,152) | - |
| 55 Hydro Capital | - | (50,000) |
| 70 Internal Services | 161,299 | 125,863 |
| 85 Pension Trust | (25,449) | - |
| **Total** | **(134,302)** | **(503,235)** |

2. The detailed budget amendment by Fund is included in Attachment A.
3. The updated Fund Balance Summary Schedule is included in Attachment B

* * * * *

**PASSED AND ADOPTED** by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 26th day of August 2026, by the following vote:

**AYES**: Directors:
**NOES**: Directors:
**ABSENT**: Directors:
**ABSTAINS**: Directors:

President of the Board of Directors

**Attest:**

Secretary to the Board of Directors

Attachment "A"

# Nevada Irrigation District

## FY2026 Mid Year Budget Amendments

| Amendment Type | Fund | Account Description | Total | Explanation |
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| | | **Total Expenditure Adjustments** | **(503,235)** | **Decrease in 2026 overall projected Expenditures** |
| | | **Net Adjustment** | **(368,933)** | |

Attachment "B"

**Nevada Irrigation District**

Fiscal Year Budget: **2026**

Fund Balance Summary Schedule - Updated Beginning Fund Balance and Amendments

| Fund | Beginning Fund Balance | Revenue | Transfers In | Total Inflow | Expense | Transfer Out | Total Outflow | Projected Ending Fund Balance | Change |
|---|---|---|---|---|---|---|---|---|---|
| 10 Water Fund | 34,016,176 | 49,789,609 | 218,580 | 50,008,189 | (38,777,337) | (20,997,176) | (59,774,513) | 24,249,852 | -29% |
| 12 Capacity Fees Fund | 9,560,537 | 1,000,000 | - | 1,000,000 | (1,500) | (218,580) | (220,080) | 10,340,457 | 8% |
| 15 Water Capital Improvement Fund | 24,071,882 | - | 6,780,985 | 6,780,985 | (6,233,907) | - | (6,233,907) | 24,618,960 | 2% |
| 21 Cement Hill Assessment District Fund | (145,758) | 318,000 | - | 318,000 | (403,545) | - | (403,545) | (231,303) | -59% |
| 22 Rodeo Flat Assessment District Fund | 113,781 | 47,500 | - | 47,500 | (44,235) | - | (44,235) | 117,046 | 3% |
| 30 Recreation Fund | 295,796 | 2,500,000 | 1,623,093 | 4,123,093 | (3,261,506) | (861,587) | (4,123,093) | 295,796 | 0% |
| 35 Recreation Capital Improvement Fund | 382,303 | 64,556 | - | 64,556 | (64,556) | - | (64,556) | 382,303 | 0% |
| 50 Hydroelectric Fund | 39,005,660 | 28,224,325 | - | 28,224,325 | (17,162,141) | (14,542,048) | (31,704,189) | 35,525,796 | -9% |
| 55 Hydroelectric Capital Fund | 55,922,289 | - | 6,457,050 | 6,457,050 | (7,239,421) | - | (7,239,421) | 55,139,919 | -1% |
| 70 Internal Services Fund | 714,309 | 1,886,849 | 21,539,683 | 23,426,532 | (23,951,398) | - | (23,951,398) | 189,442 | -73% |
| 85 Pension Trust Fund | 4,422,329 | 1,974,551 | - | 1,974,551 | (8,000) | - | (8,000) | 6,388,880 | 44% |
| **TOTAL** | **168,359,304** | **85,805,390** | **36,619,391** | **122,424,781** | **(97,147,546)** | **(36,619,391)** | **(133,766,937)** | **157,017,148** | **-7%** |
| | **A** | **B** | **C** | **D (B+C)** | **E** | **F** | **G (E+F)** | **A+D+G** | |