RESOLUTION ADOPTING OPERATIONS BUDGET

THE STATE OF TEXAS	§
COUNTY OF HAYS	§

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 THAT:

WHEREAS, the Board of Directors of Hays County Water Control and Improvement District No. 2 (the "District") has reviewed the projected operating and maintenance expenses and revenues for the district for the period of October 1, 2023 through September 30, 2024 and desires to adopt an operations budget consistent therewith;

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS;

Section 1. That the Operations Budget attached hereto as Exhibit "A" is hereby adopted.

Section 2. That the Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Adopting Operations Budget in the official records of the District.

ADOPTED this 21st day of September 2023.

Name: Samantha Bethke
President, Board of Directors

ATTEST:

Name: Sean McGillicuddy
Secretary, Board of Directors

[DISTRICT SEAL]

HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2
T E X A S

4889-0930-7002v.1

Exhibit "A"

[Final Version as adopted to be attached]

Hays County WCID #2

September 21, 2023

Approved
Budget
October 1, 2023 - September 30, 2024

	Projected Actuals FY2023	Amended Budget FY2023	Approved Budget FY2024	Projected Budget FY2025	Projected Budget FY2026	Projected Budget FY2027
<u>Water Related Income</u>						
4000 · Water Service Fees	757,978	745,000	745,000	745,000	745,000	745,000
4002 · PUA Surcharge	104,812	104,400	104,400	104,400	104,400	104,400
4300 · Water Tap Fee	0	0	0	0	0	0
Total Water Related Income	862,790	849,400	849,400	849,400	849,400	849,400
<u>Water Related Expense</u>						
6000 · PUA Bulk Water Purchases	308,309	318,935	318,935	334,882	351,626	351,626
6001 · LCRA Raw Water Purchase	40,241	43,126	43,126	49,595	57,034	57,034
6010 · Water Base Fee PUA	293,384	324,284	287,196	324,284	324,284	324,284
6070 · Raw Water Reservation Fee	52,474	49,621	53,040	53,040	53,040	53,040
6980 · Water Maintenance	53,158	68,000	58,000	39,500	39,500	0
7020 · Laboratory - Water	80	500	500	500	500	500
8650 · TCEQ Fees	3,365	2,500	3,500	3,500	3,500	3,500
Total Water Related Expense	751,011	806,966	764,297	805,301	829,484	789,984
Net Water Related	111,779	42,434	85,103	44,099	19,916	59,416

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Sewer Related Income						
4100 · Wastewater Services Fees	312,281	282,240	294,240	306,010	318,250	318,250
4205 · Reclaimed Revenue	0	0	0	0	0	0
4400 · Wastewater Tap Fee	0	0	0	0	0	0
Total Sewer Related Income	312,281	282,240	294,240	306,010	318,250	318,250
Sewer Related Expense						
6100 · Electricity	9,161	9,500	10,000	10,200	10,404	10,404
6105 · Gas	1,668	2,500	2,500	2,550	2,601	2,601
6150 · Telephone	12,820	9,000	14,000	14,280	14,566	14,566
6920 - Sewer Televising Reserve	20,000	20,000	20,000	20,000	20,000	20,000
6980 · Operator Maintenance						
Lift Station	45,150	25,000	25,000	25,000	25,000	0
Sewer Maintenance	7,594	40,000	30,000	8,000	8,000	0
6981 · Joint Expenses						
6990 · Joint WWTP Expense	1,402,772	1,215,062	664,956	850,000	850,000	850,000
Total Sewer Related Expense	1,499,165	1,321,062	766,456	930,030	930,571	897,571
Net Sewer Related	(1,186,884)	(1,038,822)	(472,216)	(624,020)	(612,321)	(579,321)

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	Projected Actuals FY2023	Amended Budget FY2023	Approved Budget FY2024	Projected Budget FY2025	Projected Budget FY2026	Projected Budget FY2027
Basic Services Revenues						
4415 · Basic Services	1,290,030	1,284,000	1,288,800	1,288,800	1,288,800	1,288,800
	1,290,030	1,284,000	1,288,800	1,288,800	1,288,800	1,288,800
Basic Services Expense						
6110 · Trash Services	290,078	288,421	299,409	314,379	330,098	330,098
	290,078	288,421	299,409	314,379	330,098	330,098
Net Basic Services	999,952	995,579	989,391	974,421	958,702	958,702

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Overhead Related Income						
4250 · Penalties	13,059	15,000	12,000	12,000	12,000	12,000
4500 · Tap Inspection Fees	0	0	0	6,900	6,000	0
4600 · Customer Service Inspection Fee	4,550	0	0	27,600	24,000	0
4700 · Park Fees	5,250	0	0	34,500	30,000	0
4800 · Property Taxes	1,477,324	1,490,726	1,382,813	1,382,813	1,382,813	1,382,813
4850 · Property Tax Penalties/Interest	3,509	1,000	0	0	0	0
4900 · Interest Income	248,121	240,000	240,000	240,000	240,000	240,000
4959 · Miscellaneous Income	2,000	0	0	0	0	0
4960 · Transfer In/(Out)	(200,000)	(200,000)	(100,000)	0	0	0
Total Overhead Related Income	1,553,813	1,546,726	1,534,813	1,703,813	1,694,813	1,634,813
Overhead Related Expenses						
6101 · Electricity - Street Lights	941	1,040	1,040	1,061	1,082	1,082
6115 · Security Services	28,230	36,000	36,000	36,000	36,000	36,000
6120 · Mowing Facilities	306	1,836	0	0	0	0
6560 · Payroll Expenses	2,190	2,880	2,880	2,880	2,880	2,880
6751 · Director's Fees	28,350	36,000	36,000	36,000	36,000	36,000
6752 · Director's Expense	500	3,000	3,000	3,000	3,000	3,000
6800 · General Legal Fees	93,000	98,550	96,000	96,000	96,000	96,000
Legal Fees - Barrett	16,560	16,560	16,560	16,560	16,560	16,560
Legal Project Review	28,530	18,000	0	0	0	0
Paralegal	63,881	60,000	65,000	65,000	65,000	65,000
6851 · Legal Notices	330	2,000	2,000	2,000	2,000	2,000
6900 · General Engineering Fees	52,250	60,000	60,000	60,000	60,000	60,000
6975 · Base Fee Operations	275,683	243,004	345,060	355,412	366,074	377,056
6980 · Park Maintenance	65,359	129,000	126,500	22,500	9,500	0

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6980 · Detention Pond	11,918	9,500	17,000	10,500	10,500	0
6985 · AMI Meters	15,664	14,400	14,400	15,120	15,876	15,876
6995 · Wet Pond Maintenance	6,543	7,000	9,000	9,000	9,000	9,000
7100 · Audit Fees	17,000	17,500	17,500	17,500	17,500	17,500
7001 · Storm Cleanup	178,491	100,000	0	0	0	0
7150 · Financial Advisor Fees	756	1,000	1,000	1,000	1,000	1,000
7151 · Accounting Fees	46,500	46,000	46,000	42,750	42,750	42,750
7375 · Tax Collector/Appraisal Fees	9,371	9,000	9,000	9,000	9,000	9,000
7550 · Common Area Landscape	280,985	280,032	294,034	302,855	311,940	311,940
7551 · Other Landscape Manintenance	43,203	30,000	30,000	33,000	36,300	39,930
7600 · Insurance	3,907	8,843	8,843	9,020	9,200	9,200
7875 · Election Expense	0	0	0	0	10,000	10,000
7881 · Website	170	1,000	1,000	1,000	1,000	1,000
7885 · Membership Dues	1,585	2,500	2,500	2,500	2,500	2,500
8050 · Miscellaneous Expense	8,975	2,000	9,000	9,000	9,000	9,000
8060 · Bank Service Charges	310	1,000	1,000	1,000	1,000	1,000
Park Improvements	220,720	220,000	300,000	0	0	0
Total Overhead Related Expenses	1,502,208	1,457,645	1,550,317	1,159,657	1,180,663	1,175,275
Net Overhead Related	51,605	89,082	(15,504)	544,156	514,150	459,538
Total Revenues	4,018,914	3,962,366	3,967,253	4,148,022	4,151,263	4,091,263
Total Expenses	4,042,462	3,874,093	3,380,478	3,209,367	3,270,815	3,192,927
Net Income / Loss	(23,548)	88,273	586,775	938,656	880,448	898,335

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9/30/21 Audited Fund Balance	$5,473,138			$5,449,590	$6,036,365	$6,975,020	$7,855,468
Net Income / Loss	($23,548)			$586,775	$938,656	$880,448	$898,335
Projected Fund Balance	$5,449,590			$6,036,365	$6,975,020	$7,855,468	$8,753,803
Minimum 1 Year Reserve w/out Capital	*$3,821,742*	#	*$3,654,093*	*$3,080,478*	*$3,209,367*	*$3,270,815*	*$3,192,927*

	2022	2023	2024	2025	2026
Operating Tax Collections	628,982,466	671,852,123	671,852,123	671,852,123	671,852,123
	99%	99%	99%	99%	99%
	0.2394	0.2079	0.2079	0.2079	0.2079
	$ 1,490,726	$ 1,382,813	$ 1,382,813	$ 1,382,813	$ 1,382,813
	2022	2023	2024	2025	2026
Debt Service Tax Collections	628,982,466	671,852,123	671,852,123	671,852,123	671,852,123
	99%	99%	99%	99%	99%
	0.5526	0.5221	0.5221	0.5221	0.5221
	$ 3,441,000	$ 3,472,663	$ 3,472,663	$ 3,472,663	$ 3,472,663
Total Tax Rate	0.7920	0.7300	0.7300	0.7300	0.7300