

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, 2025 through September 30, 2026 in conjunction with the proposed setting of its 2025 tax rate and desires to adopt a 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 16th day of September 2025.

Hays County Water Control and Improvement District No. 2


Name: Samantha Bethke
President, Board of Directors

ATTEST:


Name: Sean McGillicuddy
Secretary, Board of Directors

[DISTRICT SEAL]

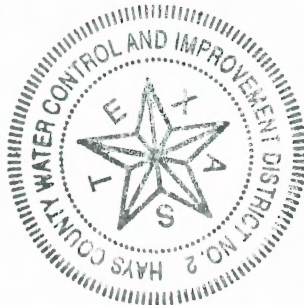


Exhibit "A"

Approved
Budget

October 1, 2025 - September 30, 2026

	<u>Projected Actuals FY2025</u>	<u>Budget FY2025</u>	<u>Approved Budget FY2026</u>	<u>Projected Budget FY2027</u>	<u>Projected Budget FY2028</u>	<u>Projected Budget FY2029</u>
<u>Water Related Income</u>						
4000 · Water Service Fees	580,576	570,000	570,000	570,000	570,000	570,000
4002 · PUA Surcharge	104,763	104,400	104,400	104,400	104,400	104,400
4300 · Water Tap Fee	775	0	0	0	0	0
Total Water Related Income	686,114	674,400	674,400	674,400	674,400	674,400
<u>Water Related Expense</u>						
6000 · PUA Bulk Water Purchases	257,870	265,250	265,250	278,513	292,438	292,438
6001 · LCRA Raw Water Purchase	33,841	30,150	33,165	38,140	43,861	43,861
6010 · Water Base Fee PUA	287,196	287,196	287,196	324,284	324,284	324,284
6070 · Raw Water Reservation Fee	54,754	53,040	56,460	56,460	56,460	56,460
6980 · Water Maintenance	51,413	58,000	58,000 *	59,500	59,500	0
7020 · Laboratory - Water	122	500	500	500	500	500
8650 · TCEQ Fees	2,761	3,500	3,500	3,500	3,500	3,500
Total Water Related Expense	687,957	697,636	704,071	760,896	780,543	721,043
Net Water Related	(1,843)	(23,236)	(29,671)	(86,496)	(106,143)	(46,643)

Hays County WCID #2

September 16, 2025

Approved
Budget

October 1, 2025 - September 30, 2026

	Projected Actuals FY2025	Budget FY2025	Approved Budget FY2026	Projected Budget FY2027	Projected Budget FY2028	Projected Budget FY2029
Sewer Related Income						
4100 · Wastewater Services Fees	285,409	282,240	302,240 *	314,330	326,903	326,903
4205 · Reclaimed Revenue	0	0	0	0	0	0
4400 · Wastewater Tap Fee	0	0	0	0	0	0
Total Sewer Related Income	285,409	282,240	302,240	314,330	326,903	326,903
Sewer Related Expense						
6100 · Electricity	10,123	10,500	11,500	11,730	11,965	11,965
6105 · Gas	1,553	2,500	2,500	2,550	2,601	2,601
6150 · Telephone	20,472	17,500	22,000	22,440	22,889	22,889
6920 - Sewer Televising Reserve	20,000	20,000	8,500	20,000	20,000	20,000
6980 · Operator Maintenance						
Lift Station	120,212	45,000	118,000 *	103,000	103,000	0
Sewer Maintenance	9,178	30,000	130,000 *	8,000	8,000	0
6981 · Joint Expenses						
6990 · Joint WWTP Expense	1,247,469	874,072	870,322 *	896,431	923,324	951,024
Total Sewer Related Expense	1,429,007	999,572	1,162,822	1,064,151	1,091,779	1,008,478
Net Sewer Related	(1,143,598)	(717,332)	(860,582)	(749,822)	(764,876)	(681,576)

Approved
Budget

October 1, 2025 - September 30, 2026

	<u>Projected Actuals FY2025</u>	<u>Budget FY2025</u>	<u>Approved Budget FY2026</u>	<u>Projected Budget FY2027</u>	<u>Projected Budget FY2028</u>	<u>Projected Budget FY2029</u>
<u>Basic Services Revenues</u>						
4415 · Basic Services	1,289,622	1,288,800	1,391,904 *	1,391,904	1,391,904	1,391,904
	<u>1,289,622</u>	<u>1,288,800</u>	<u>1,391,904</u>	<u>1,391,904</u>	<u>1,391,904</u>	<u>1,391,904</u>
<u>Basic Services Expense</u>						
6110 · Trash Services	320,018	327,223	340,771	350,994	361,524	361,524
	<u>320,018</u>	<u>327,223</u>	<u>340,771</u>	<u>350,994</u>	<u>361,524</u>	<u>361,524</u>
Net Basic Services	<u>969,604</u>	<u>961,577</u>	<u>1,051,133</u>	<u>1,040,910</u>	<u>1,030,380</u>	<u>1,030,380</u>

Approved
Budget

October 1, 2025 - September 30, 2026

	Projected Actuals FY2025	Budget FY2025	Approved Budget FY2026	Projected Budget FY2027	Projected Budget FY2028	Projected Budget FY2029
<u>Overhead Related Income</u>						
4250 · Penalties	18,525	12,000	12,000	12,000	12,000	12,000
4500 · Tap Inspection Fees	0	0	0	0	0	0
4600 · Customer Service Inspection Fee	6,450	0	0	0	0	0
4700 · Park Fees	750	0	0	0	0	0
4800 · Property Taxes	1,508,357	1,514,634	1,600,336	1,600,336	1,600,336	1,600,336
4850 · Property Tax Penalties/Interest	4,144	0	0	0	0	0
4900 · Interest Income	263,327	240,000	194,000	194,000	194,000	194,000
4959 · Miscellaneous Income	218,687	0	0	0	0	0
4960 · Transfer In/(Out)	0	0	0	0	0	0
Total Overhead Related Income	2,020,240	1,766,634	1,806,336	1,806,336	1,806,336	1,806,336
<u>Overhead Related Expenses</u>						
6101 · Electricity - Street Lights	964	1,040	1,040	1,061	1,082	1,082
6115 · Security Services	0	0	0	0	0	0
6120 · Mowing Facilities	0	0	0	0	0	0
6560 · Payroll Expenses	2,546	2,880	2,880	2,880	2,880	2,880
6751 · Director's Fees	32,868	36,000	36,000	36,000	36,000	36,000
6752 · Director's Expense	750	3,000	3,000	3,000	3,000	3,000
6800 · General Legal Fees	102,720	102,720	102,720	102,720	102,720	102,720
Legal Fees - Barrett	16,560	16,560	16,560	16,560	16,560	16,560
Legal Project Review	0	0	0	0	0	0
Paralegal	68,420	69,875	69,875	69,875	69,875	69,875
6851 · Legal Notices	1,427	2,000	2,000	2,000	2,000	2,000
6900 · General Engineering Fees	31,023	60,000	60,000	60,000	60,000	60,000
Tank Engineering Fees	135,000	300,000	190,000	0	0	0
6975 · Base Fee Operations	340,097	345,060	355,412	366,074	377,056	388,368
6980 · Park Maintenance	76,024	229,500	108,500 *	101,500	88,500	0

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Budget

October 1, 2025 - September 30, 2026

	Projected Actuals FY2025	Budget FY2025	Approved Budget FY2026	Projected Budget FY2027	Projected Budget FY2028	Projected Budget FY2029
6980 · Detention Pond	4,247	17,000	17,000 *	10,500	10,500	0
6985 · AMI Meters	13,803	14,400	14,400	15,120	15,876	15,876
6995 · Wet Pond Maintenance	8,218	12,000	12,000	12,000	12,000	12,000
7100 · Audit Fees	18,500	18,500	19,500	19,500	19,500	19,500
7001 · Storm Cleanup	0	0	0	0	0	0
Contingency Reserve	50,000	50,000	50,000	75,000	100,000	125,000
7002 · Consulting Fees	14,400	0	0	0	0	0
7150 · Financial Advisor Fees	1,055	2,000	2,000	2,000	2,000	2,000
7151 · Accounting Fees	51,000	50,500	51,000	42,750	42,750	42,750
7375 · Tax Collector/Appraisal Fees	11,189	11,000	11,000	11,000	11,000	11,000
7550 · Common Area Landscape	283,512	289,432	298,115	307,058	316,270	316,270
7551 · Other Landscape Manintenance	50,853	60,000	60,000	66,000	72,600	79,860
7600 · Insurance	15,446	17,000	17,000	17,340	17,687	17,687
7875 · Election Expense	0	0	0	10,000	0	10,000
7881 · Website	2,778	1,000	1,000	1,000	1,000	1,000
7885 · Membership Dues	1,378	2,500	2,500	2,500	2,500	2,500
8050 · Miscellaneous Expense	9,957	12,000	12,000	12,000	12,000	12,000
8060 · Bank Service Charges	253	1,000	1,000	1,000	1,000	1,000
Park Improvements	266,025	260,000	600,000 *	150,000	0	0
Total Overhead Related Expenses	1,611,013	1,986,967	2,116,502	1,516,438	1,396,356	1,350,928
Net Overhead Related	409,227	(220,333)	(310,166)	289,898	409,980	455,408
Total Revenues	4,281,385	4,012,074	4,174,880	4,186,969	4,199,543	4,199,543
Total Expenses	4,047,995	4,011,398	4,324,165	3,692,480	3,630,202	3,441,973
Surplus / (Deficit)	233,390	675	(149,286)	494,490	569,341	757,570