

### **Item 3 – Presentation of Draft FY 2025 District Operating/Capital Budgets**

The FY 2025 District Operating Budget differs dramatically from FY 2024. The budgets for both FY 2024 & FY 2025 have increased over previous years primarily due to increased workload associated with future mitigation of Simsboro water wells.

Pumping from the UWBVF project could begin as early as November 2028. Mitigation of wells is close at hand with the City of Calvert well already in the design/permitting phase. A preliminary look at the imminent mitigation list has 77 wells needing to be re-drilled and 116 needing pumps lowered/upsized by 2029. This year's proposed budget encapsulates the need for additional staff to oversee and direct mitigation and meet the need of increased water level measuring and well identification.

Legal and hydrogeological services are and will be significantly higher due to two matters:

- Contested Case/SOAH Hearing regarding seven (7) transport permit applications
- Lawsuit filed by Texas A&M University System against the District regarding the contested case request on thirty-two (32) production and one (1) transport permit and validity of those permits

Other budgeted line items affected by future well mitigation include budgeting one (1) full-time employee for both field data collection and assisting with education. One (1) part-time employee is still being budgeted for field work and one (1) additional part-time office staff member is being added due to increased data entry and filing needs. Fuel and maintenance of vehicles are also affected line items.

The draft FY 2025 Operating Budget has been uploaded into a separate File Browser folder for your review prior to the meeting. A summary of increases/decreases is attached. This agenda item is for presentation and discussion only. No action will be taken on approval of the budget until the December board meeting.

As of October 31, 2024

PB 259000391	4.50%	\$	285,514.24
SSB 3500000477	4.50%	\$	139,302.41
SSB 3500000603	4.50%	\$	114,908.34
SSB 3500000184	2.75%	\$	275,696.52

\$ 815,421.51

DOA (PB)	0.30%	\$	322,323.09
DWAF (PB)	0.30%	\$	53,290.42

\$ 375,613.51

**TOTALS** \$ 1,191,035.02

**Estimated Revenue FY2025**

<b>Permit Holder</b>	<b>Estimated 2024 Production (gallons)</b>	<b>Production (ac-ft)</b>	<b>Est. 2025 Revenue</b>
City of Bryan	5,967,774,500	18,314.43	\$ 290,929.01
City of College Station	4,993,332,892	15,323.98	\$ 243,424.98
Texas A&M University	1,844,837,190	5,661.60	\$ 89,935.81
Wickson Creek SUD	755,451,556	2,318.40	\$ 36,828.26
Wellborn SUD	489,747,000	1,502.98	\$ 23,875.17
Sanderson Farms - Bryan Plant	448,923,000	1,377.69	\$ 21,885.00
City of Hearne	377,456,204	1,158.37	\$ 18,400.99
Miramont Country Club	175,143,400	537.50	\$ 8,538.24
Robertson County WSC	147,790,700	453.55	\$ 7,204.80
City of Franklin	85,994,050	263.91	\$ 4,192.21
City of Calvert	68,206,000	209.32	\$ 3,325.04
Tri County WSC	47,944,000	147.13	\$ 2,337.27
Twin Creek WSC	44,033,000	135.13	\$ 2,146.61
City of Bremond	34,489,175	105.84	\$ 1,681.35
1980 Phillips Group, LLC	28,051,334	86.09	\$ 1,367.50
Major Oak Power	1,420,864,703	4,360.47	\$ 1,351.75
	<b>16,930,038,704</b>	<b>51,956.38</b>	<b>\$ 757,423.98</b>
Above 16 Permittees			\$ 757,423.98
BRAA fees			\$ 19,124.17
Renewal fees			\$ 6,700.00
Metered Agr. Pumping			\$ 500.00
<b>Total</b>			<b>\$ 783,748.15</b>

**FY 2024 Fee Schedule**

Agricultural	<b>\$0.1975/ac-ft</b>
Steam Electric	<b>\$0.31/ac-ft</b>
Municipal/RPWS	<b>\$0.04875/1000 gallons produced</b>
Industrial/Comm.	<b>\$0.04875/1000 gallons produced</b>
Export	<b>\$0.20/1000 gallons exported</b>

**FY 2025 Maximum Rate Allowable**

Max. Rate \$0.3775/ac-ft
Max. Rate \$0.3775/ac-ft
Max. Rate \$0.064175/1000 gallons produced
Max. Rate \$0.064175/1000 gallons produced
Max. Rate \$0.206/1000 gallons transported <b>(Rule 9.1(c)(2))</b> Max. Rate \$0.12125/1000 gallons authorized <b>(Enabling Act)</b>

**Summarized Comparison of Budgets – 2024 v. 2025**

<b><u>Supplies</u></b>	<b><u>FY 2024</u></b>	<b><u>FY 2025</u></b>	
	\$95,600	\$84,800	Decreased advertising with KBTX
<b><u>Professional Services</u></b>	<b><u>\$220,300</u></b>	<b><u>\$468,000</u></b>	
Increases:			
• Legal (Monique)	\$68,500	\$80,000	
• Legal (Litigation/SOAH)	\$10,000	\$100,000	
• Hydrology/Engineering	\$120,000	\$200,000	
• Annual Audit	\$4,800	\$10,000	
• Legislative Consultant	\$0	\$60,000	
<b><u>Other Services</u></b>	<b><u>\$76,200</u></b>	<b><u>\$134,500</u></b>	
Increases:			
• Vehicle Maintenance/Fuel	\$12,000	\$14,500	Increased activity in the field
• Field Staff	\$20,000	\$45,000	FY 2024 funding from DWAF & Operating Fund
• Part-time Office Staff	\$0	\$32,500	New Position
<b><u>Grants/Other Expenses</u></b>	<b><u>\$117,125</u></b>	<b><u>\$124,000</u></b>	
Decreases:			
• Well Plugging	\$20,000	\$10,000	
Increases:			
• BRAA GW/SW Study	\$20,000	\$30,000	Last grant payment – FY 2025
• Depreciation	\$23,125	\$30,000	New properties

	<b><u>FY 2024</u></b>	<b><u>FY 2025</u></b>	
<b><u>Salaries</u></b>	<b>\$291,840</b>	<b>\$458,291</b>	
Increases:			
• Current Staff	\$268,000	\$287,000	6.5% - 9% increases
• Mitigation Manager	\$0	\$90,000	New full-time employee
• Education/Field Staff	\$0	\$45,000	New full-time employee
• Medicare/SS	\$23,283	\$36,564	Increase due to new employees
<b><u>Benefits</u></b>	<b>\$81,660</b>	<b>\$137,606</b>	
Increases:			
• Health Insurance	\$44,600	\$79,300	Increase due to new employees
• Retirement (TCDRS)	\$37,100	\$58,300	Increase due to new employees
<b><u>Budgeted Amounts</u></b>	<b>\$882,725</b>	<b>\$1,407,200</b>	
<b><u>Capital Budgets</u></b>	<b>\$50,000</b>	<b>\$125,000</b>	Incorporate H&R Block building into current office complex & renovations; Stabilize and repair former dry cleaner common wall.