



Water Less, Y'all

2024 - 2025

ANNUAL BUDGETS

OPERATING & CAPITAL

Treated Water

Long-Range Water Supply

Water Reclamation

Non-Potable Water Reuse

Watershed Protection

Water Conservation

Household Hazardous Waste Disposal

OVER

350

RESIDENTS

Pledged **2** Water Less in 2024.

Upper Trinity Regional Water District launched a new 2024 summer outdoor watering campaign, "Pledge 2 Water Less, Y'all!" in FY 2023-2024 Residents pledged not to water their lawn more than 2 days per week. Those that took the pledge received lawn-care related swag, monthly educational information and lawncare tips, and were entered to win weekly prize drawings. Three grand prize winners received free landscape design services and up to \$500 in plants and soil products from Rooted In, a nursery and garden center in Pilot Point that specializes in regionally native and adapted plant materials. At the end of the summer campaign, over 350 residents Pledged to Water Less.



UPPER TRINITY
REGIONAL WATER DISTRICT
900 N KEALY AVE.
LEWISVILLE, TX 75057

**UPPER TRINITY REGIONAL WATER DISTRICT
LEWISVILLE, TEXAS**

OPERATING AND CAPITAL BUDGETS

FISCAL YEAR 2024 - 2025

OCTOBER 1, 2024 – SEPTEMBER 30, 2025

Record Vote for Operating Budget

<p>For: 19 Against: 0 Absent: 3</p>
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Record Vote for Capital Budget

<p>For: 19 Against: 0 Absent: 3</p>
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**Adopted by the Board of Directors
September 5, 2024**

**UPPER TRINITY REGIONAL WATER DISTRICT
BOARD OF DIRECTORS
Fiscal Year 2024 – 2025**

**Clay M. Riggs, President – Flower Mound
Lyle Dresher, Vice President – Denton County At-Large
Greg Scott, Treasurer – Justin
Allen L. McCracken II, Secretary – Pilot Point**

**Bobby Johnston – Argyle
Brian Roberson – Aubrey
Del Knowler – Bartonville
Kimberly Brawner – Celina
Mark Pape – Copper Canyon
Glenn Barker – Corinth
Stephen Gay – Denton
(Vacant) – Denton County
Kevin Mercer – DCFWSD #7
Dave Nelson – Double Oak
Richard Lubke – Highland Village
Orlando Sanchez – Irving
Nate Winchester – Krum
Mike Fairfield – Lake Cities MUA
Kelly Rouse – Lewisville
Chris Boyd – Mustang SUD
Drew Corn – Northlake
Mike Anderson – Ponder
George Dupont – Prosper
Jim Bolz – Sanger**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Upper Trinity Regional Water District
Texas**

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morill

Executive Director

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READER'S GUIDE

Welcome to the Upper Trinity Regional Water District's (UTRWD's) FY 2025 Budget document. This document is intended to provide practical and pertinent information about the District's financial planning, policies, goals, and priorities for FY 2025, but also provides insight through FY 2029.

THIS BUDGET IS A POLICY DOCUMENT

It describes financial and operating policies, goals, and priorities for every fund and department of the District for the coming year and for our 5-year planning horizon for the District's largest operating system, the Regional Treated Water System. Our Mission Statement, Vision, and Goals as an organization are found in the Strategic Plan section, while the District's Financial Policies are described in the Budget Overview section.

THIS BUDGET IS A FINANCIAL PLAN

It describes the costs of the services provided by UTRWD and how they are funded. The Revenue Summary section presents projected revenues from the District's core business sectors that include Treated and Non-Potable water sales, Water Reclamation services, and Household Hazardous Waste Program. Additionally, interest and other revenues generated from these services are included. The Operating Fund Detail section provides revenues and expenditures by operating system (Fund). Long-term financial planning for the District's Regional Treated Water System is included under the Strategic Planning section of this document and is also presented to the District's Board of Directors. The Capital Improvement Program (for a 5-year planning period) is included in the CIP Funds section of this Budget document.

THIS BUDGET IS A MEANS OF COMMUNICATION

It is an easy-to-read document with summary information in charts and graphs that complement the details in the text. The Executive Summary, found in the Introduction section, presents an organizational and financial overview of the District for FY 2025. The Budget Overview presents summary information by revenue and expenditure category for the District on a "combined" basis and points out major changes between FY 2024 and FY 2025. An overall description of how the District's operating funds and associated internal reserve funds are structured is included in the Fund Summary section. The budget for each fund – one water fund, three wastewater funds, one non-potable water fund, one household hazardous waste fund, and three internal service funds (Administration, Information Services, and Maintenance), is described in the Operating Fund Detail section, while all outstanding debt and annual debt service amounts (by Fund) are shown in the Debt Summary section. The District's profile and history is included in the Introduction section, while supporting information on the District's member / customer base, service levels, and populations is included in the Statistical Information section of the Budget document.

THIS BUDGET IS AN OPERATIONS GUIDE

UTRWD's Budget document shows each Department's organization chart and budget overview, followed by a detailed budget which includes goals, performance benchmarks, and accomplishments for each. This information is shown in the Operating Fund Detail section, while this information for the District's Engineering Division is shown in the CIP Funds section of this budget document.



REGIONAL WATER DISTRICT

MEMORANDUM

Larry N. Patterson

TO: Board of Directors
FROM: Larry N. Patterson, Executive Director
DATE: September 5, 2024
SUBJECT: FY 2024 - 2025 PROPOSED BUDGETS

I respectfully submit the proposed Operating and Capital Budgets for the Fiscal Year beginning October 1, 2024, for your consideration. These proposed budgets will fund operations, keep our critically important capital improvement program moving forward, and position the District to respond to continued growth within our service area while also preparing for unprogrammed expenses through development of adequate reserve accounts.

Proposed Operating Budgets will allow the District to continue to provide the highest quality services in an efficient manner. Proposed Capital Improvements reflect the implementation of priority regional projects to meet on-going and future needs within the District's service area. Key projects are listed in the Executive Summary of the FY 2024 – 2025 Budget document.

With the Board's continued support and guidance, the staff and I look forward to another productive fiscal year of service to District members and customers.

EXECUTIVE SUMMARY

Staff is pleased to propose the FY 2024-2025 Budget for consideration by the Board of Directors. District staff continues to be committed to good fiscal stewardship, while protecting the environment and providing the highest level of performance for on-going District programs. Additionally, this budget complies with all relevant District financial policies.

The adopted operating budgets (unchanged from the proposed operating budgets) for the District’s utility systems total \$103.53 million for the fiscal year, an overall increase of 16.40% compared to last year’s adopted budget of \$88.94 million. The District continues to experience extraordinary growth and utilizes various reserves to offset rates when economic conditions allow. The adopted budget represents a practical approach to providing the highest quality service at a reasonable rate to its members and customers.

The adopted budget (unchanged from the proposed capital budget) for capital improvements is recommended to be \$488.09 million, a 29.92% increase from last year’s budget of \$375.68 million. The Lake Ralph Hall project represents most of this increase due to expanded construction activities related to the Leon Hurse Dam, a new pump station and associated pipelines, as well as surrounding roadways and bridges.

OPERATING BUDGETS

District management has worked diligently to manage and control costs -- and to minimize rate increases. Following are Staff recommendations for rate adjustments:

Regional Treated Water Service	6.75%
Northeast Regional Water Reclamation System	2.95%
Lakeview Regional Water Reclamation System	2.50%
Peninsula Water Reclamation Plant	0.00%
Administration	0.00%
Non-Potable Water System	1.40%
Household Hazardous Waste	0.00%

During the budget preparation process, all proposed expenditures were evaluated closely to control cost increases. Highlights for the adopted operating budgets include:

- A merit raise range increase of 6.00% as a tool to remain competitive in the Dallas / Fort Worth labor market.
- Eight additional positions (Full year funded) will be required to keep up with the increasing workload as the District continues to grow. These new positions consist of:
 - A Project Engineer (Engineering / Construction) position to be allocated 10.00% in the Administration Fund and 90.00% allocated to all capital improvement projects (CIP Budget).
 - Two Wastewater Operators (One Dayshift and One Nightshift) where 90.00% of the new Nightshift position is allocated to the Northeast Regional Water Reclamation System and 10.00% is allocated to the Peninsula Water Reclamation Plant, while 100.00% of the Dayshift position is allocated to the Doe Branch Plant (NERWRS).

- A Wastewater Operator III, where 90.00% of the position cost is allocated to the Northeast Regional Water Reclamation System and 10.00% is allocated to the Peninsula Water Reclamation Plant.
- A Process Controls Analyst is allocated throughout all the District’s Operating Systems.
- An Electrician II position, where 100.00% is allocated to the Maintenance Fund.
- A Maintenance Worker, where 100.00% is allocated to the Maintenance Fund.
- An Irrigation Specialist, where 100.00% is allocated to the Water Conservation Program in the Regional Treated Water System.
- The reclassification of one District position:
 - A Lake Ralph Hall (LRH) Construction Inspector (Allocated 100.00% to the Lake Ralph Hall Project) was reclassified to a Lake Ralph Hall Transmission Operator I.
- The adopted budget for the Regional Treated Water reflects a 7.20% cost increase for raw water from Dallas Water Utilities. However, due to on-going negotiations with the City of Denton for a new raw water purchase agreement, the FY 2025 adopted budget projects no purchases of raw water from this source. Therefore, the more expensive Dallas raw water is being utilized. The adopted budget is based on anticipated water purchases from the various sources as follows:

<u>Source</u>	<u>Average Usage</u>
Dallas Water Utilities	29.47 MGD
Denton	0.00 MGD
Chapman Lake	11.50 MGD
Reuse	5.75 MGD

- Funding for specific, on-going programs for the Water System are recommended at the following levels:
 - Water Conservation efforts to provide an on-going, strong water conservation program at \$0.02 / 1,000 gallons, no change from FY 2024.
 - General planning for Future Water Resources at \$0.02 / 1,000 gallons, no change from FY 2024.
 - Watershed Protection Program at \$0.02 / 1,000 gallons, no change from FY 2024.
- Reserves are an important component of the District’s core business:
 - Continue to contribute to the long-term reserve for future replacement of aging facilities (Capital Replacement Reserve) at \$0.12 / 1,000 gallons (same as FY 2024) in the Regional Treated Water System, \$0.10 / 1,000 gallons (same as FY 2024) in the Lakeview Regional Water Reclamation System, \$0.05 / 1,000 gallons (same as FY 2024) in the Northeast Regional Water Reclamation System, \$0.10 / 1,000 gallons (a \$0.05 / 1,000-gallon increase from FY 2024) for the Peninsula Plant, and an annual deposit of \$29,475 in the Non-Potable Water System.
 - Continue to contribute to the Non-Bond Reserves in the amount of \$200,000 for the Lakeview Regional Water Reclamation System, \$25,000 for the Non-Potable Water System, \$0.02 / 1,000 gallons in the Northeast Regional Water Reclamation System (same as FY 2024), and \$0.10 / 1,000 gallons (a \$0.05 / 1,000-gallon increase from FY 2024) for the Peninsula Water Reclamation Plant.
 - Continue to contribute to the Raw Water Holding Pond Dredging Reserve at \$0.01 / 1,000 gallons (same as FY 2024) to provide a funding source for required and periodic dredging activities for the removal of silt to increase raw water holding capacity at the District’s water treatment plants.
 - All System O&M Reserves are projected to be 100% funding by the end of FY 2025.

- For the Northeast Regional Water Reclamation System, the District has established an Excess Flow Surcharge of \$0.56 / 1,000 gallons to be imposed on entities that send more wastewater flows to the Riverbend and Doe Branch Plants than their contracted capacity allows. This surcharge will be charged on monthly flows. Additionally, all Excess Surcharge Revenue collected will be transferred monthly to the O&M Reserve of the Northeast Regional Water Reclamation System and will be available to offset the cost of mechanical / maintenance issues caused by overuse of System assets.
- The District's Household Hazardous Waste Program continues to provide an interim service until cities choose to host their own programs, generally through their solid waste providers.
 - The adopted budget for this program includes a City of Fort Worth Landfill Disposal Fee of \$95.00 per household / voucher (same as FY 2024).
- Debt Service for FY 2025 includes:
 - Regional Treated Water System
 - A Variable Rate Debt interest rate of 4.45% (compared to 4.75% projected for the adopted FY 2024 budget) is included that yields total interest and fees of approximately \$4.35 million.
 - An increase of \$2.11 million related to the first payment for the Series 2024 Refunding Bonds (issued in July 2024) to convert \$65.00 million of outstanding variable rate debt used to finance various capital improvement projects to long-term debt. The Adopted FY 2024 budget included half a year of debt service of \$1.97 million to refund \$55.00 million of variable rate debt, but this was postponed to later in FY 2024 to refund the previously mentioned \$65.00 million amount.
 - One planned conversion of outstanding Variable Rate Debt into Long-Term Debt of approximately \$73.00 million in mid-FY 2025 reflecting a new debt service amount of \$2.66 million (half-year of debt service).
 - Series 2015 TWDB Board Participation Bonds for the Lake Ralph Hall project (\$15.56 million) - - annual payment increases by \$93,855 to \$531,855, representing a partial interest payment.
 - Series 2015 TWDB Deferred Interest Bonds for the Lake Ralph Hall project (\$29.12 million) - - annual payment increases by \$396,000 to \$1.95 million, representing both principal and interest.
 - Series 2021 TWDB Board Participation Bonds for the Lake Ralph Hall project (\$135.50 million) - - first of two-year annual payment of \$827,190 begins, representing a partial interest payment.
 - Series 2021 TWDB Board Participation Bonds for the Harpool Plant Northeast Water Transmission Pipeline, Phases 1 and 2 project (\$10.61 million) - - the first of a two-year annual payment of \$64,740 begins, representing a partial interest payment.
 - Series 2022 TWDB Board Participation Bonds for the Harpool Plant Northeast Water Transmission Pipeline, Phases 1 and 2 project (\$9.10 million) - - no payments due for this issue until FY 2026 based on debt service being deferred for the first three fiscal years after the year of issuance.
 - Series 2022 TWDB Board Participation Bonds for the Lake Ralph Hall project (\$110.00 million) - - no payments due for this issue until FY 2026 based on debt service being deferred for the first three fiscal years after the year of issuance.

- Series 2023 TWDB Board Participation Bonds for the Harpool Plant Northeast Water Transmission Pipeline, Phases 1 and 2 project (\$4.71 million) - - no payments due for this issue until FY 2027 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2023 TWDB Board Participation Bonds for the Taylor Plant Expansion, Phase 3 project (\$18.08 million) - - no payments due for this issue until FY 2027 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2023 TWDB Board Participation Bonds for the Harpool Plant Water Transmission Pipeline, Phase 3 project (\$5.81 million) - - no payments due for this issue until FY 2027 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2023 TWDB Board Participation Bonds for the Lake Ralph Hall project (\$48.00 million) - - no payments due for this issue until FY 2027 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2024 (FY 2025) TWDB Board Participation Bonds for the Lake Ralph Hall project (\$260.63 million) - - no payments due for this issue until FY 2028 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2024 (FY 2025) TWDB Board Participation Bonds for the Taylor Plant Expansion Phase 3 project (\$22.32 million) - - no payments due for this issue until FY 2028 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2024 (FY 2025) TWDB Board Participation Bonds for the Harpool Plant Northeast Transmission Pipeline, Phases 1 and 2 project (\$4.71 million) - - no payments due for this issue until FY 2028 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2024 (FY 2025) TWDB Board Participation Bonds for the Harpool Plant Northeast Transmission Pipeline, Phase 3 project (\$10.24 million) - - no payments due for this issue until FY 2028 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Series 2024 (FY 2025) TWDB Board Participation Bonds for the Harpool Plant Expansion, Phase 3 project (\$40.00 million) - - no payments due for this issue until FY 2028 based on debt service payments being deferred for the first three fiscal years after the year of issuance.
- Lakeview Regional Water Reclamation System
 - Series 2025 Revenue Bonds of \$9.50 million may be issued in late FY 2025 for the Lakeview Regional Water Reclamation Plant Expansion, Phase 3 project, with debt service payments scheduled to begin in FY 2026.
- Northeast Regional Water Reclamation System
 - Series 2016 TWDB “D” Fund Bonds (Riverbend Plant) - - annual principal payment increases by \$100,000. These bonds were issued for the third expansion of the Riverbend Plant and were structured with interest only payments (including capitalized interest) for the first six years, with principal payments increasing throughout the term of the bonds.
 - Series 2017 TWDB “D” Fund Bonds (Riverbend Plant) - - annual payment increases by \$50,000. These bonds were issued for the third expansion of the Riverbend

Plant and were structured with interest only payments (including capitalized interest) for the first five years, with principal payments increasing throughout the term of the bonds.

- Series 2022 Revenue Bonds for a portion of the West Influent Lift Station Improvements (Riverbend Plant) and the Parallel Interceptor (Doe Branch), Phase 1 and Doe Branch Plant Expansion, Phase 3 projects - - first debt service payment of \$789,500 comprised of principal and interest. The first two years of debt service for this issue were funded via the use of capitalized interest. This debt issue is assigned to Mustang Special Utility District and Providence Village for their share of the West Influent Lift Station and to the City of Celina for their share of the Parallel Interceptor and Doe Branch Plant Expansion projects. Additionally, Celina's portion of this total debt service payment (\$632,500) is to be funded from a Transfer In from Construction Cash (Doe Branch) consisting of 2022 Revenue Bond proceeds.
- Series 2024 Revenue Bonds (second tranche) for the Doe Branch Plant Expansion, Phase 3 and Parallel Interceptor project (\$27.00 million in bond proceeds) - - first debt service payment of \$1.39 million comprised of interest only. This debt issue is assigned to the City of Celina for their share of this project (combined Plant Expansion and Parallel Interceptor).
- Tentative Series 2024 Revenue Bonds (second tranche) for the West Influent Lift Station Improvements project (estimated \$11.00 million in bond proceeds) - - first debt service payment (estimated) of \$816,510 comprised of principal and interest. This debt issue is assigned to Mustang Special Utility District (75%) and Providence Village (25%).
- Series 2025 Revenue Bonds for Doe Branch Plant Expansion, Phase 3 and Parallel Interceptor, Phase 1 projects (estimated \$36.0 million in bond proceeds) with no debt service scheduled until FY 2026. This debt issue is assigned to the City of Celina for their share of this project (combined Plant Expansion and Parallel Interceptor).
 - Peninsula Water Reclamation Plant
 - No additional debt issues are planned for FY 2025.

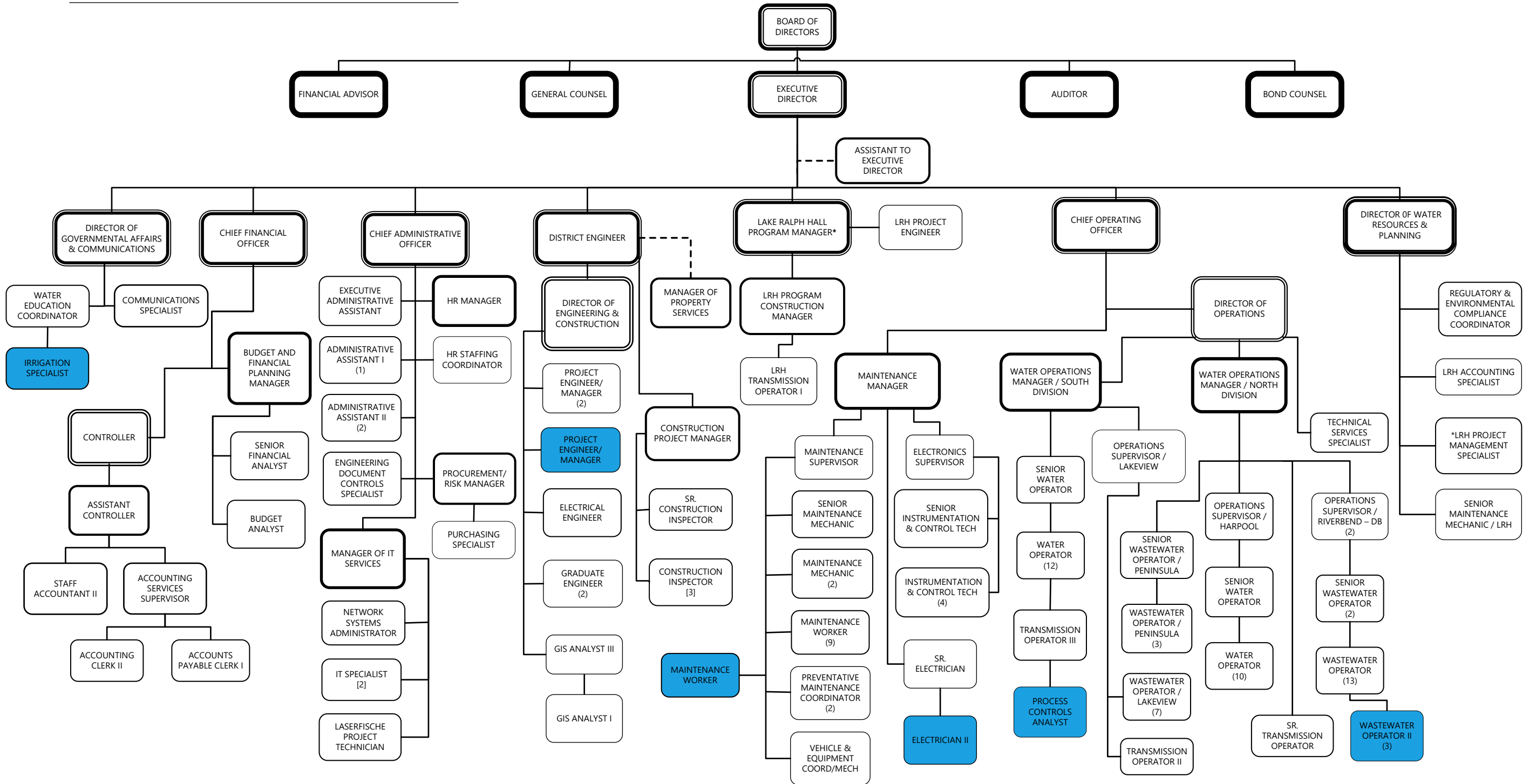
CAPITAL IMPROVEMENT PROGRAMS

Key capital projects include:

- Southwest Pump Station, Phase 1 project consists of continued design / engineering and construction of a ground storage tank and pump station, to provide additional pumping and water pressure capacity for the western service area of the Regional Treated Water System.
- Lake Ralph Hall project will continue design / engineering and construction activities of various segments of the lake and its supporting facilities (i.e., dam, pump station, raw water pipelines, mitigation, cultural resources, and support facilities).
- General Treatment and Pumping Improvements will include design / engineering and construction of multi-year projects to upgrade and improve components of the Regional Treated Water System such as modifying / installing additional pumps, completing electrical component upgrades, and optimizing the treatment process.
- Taylor RWTP Expansion, Phase 3 will include design / engineering and construction activities to expand the treatment capacity from 70.0 to 85.0 MGD.

- Harpool RWTP Phased Treatment Expansion, Phase 1 project includes expanded administration and maintenance facilities, increased raw water handling, improvements / expansion of membrane water treatment capabilities, a new diurnal pond, and construction of critical infrastructure improvements to provide for a phased-in treatment capacity expansion to 30.0 MGD by 2025.
- Harpool RWTP Phased Treatment Expansion, Phase 2 project includes design / engineering and construction for a new membrane complex, increased site and plant piping, advanced treatment equipment, a new finished water pump station, clear well, chemical and disinfection facilities, recovery pond, and other necessary improvements to expand the treatment capacity of the Plant from 30.0 to 60.0 MGD.
- Harpool RWTP Northeast Transmission Pipeline, Phases 1 and 2 include design / engineering and easement acquisition activities for the construction of a 36-inch diameter treated water transmission pipeline extending northeast from the Harpool RWTP to serve the Town of Celina, Artesia Community, and other customers.
- Harpool RWTP Northeast Transmission Pipeline, Phase 3 includes design / engineering and easement acquisition activities for the future construction of treated water transmission pipelines to extend water service to the Town of Aubrey and other surrounding member / customer entities.
- TxDOT / IH-35 Project will include engineering and construction activities to relocate District water pipelines due to the Texas Department of Transportation's IH-35 widening project from Milam Road in Denton, Texas north to Cowling Road in Sanger, Texas.
- Lakeview Plant Expansion, Phase 3 will continue with design / engineering and begin construction to expand the treatment capacity from 5.5 to 7.5 MGD.
- West Influent Lift Station Improvements will continue with design/engineering and construction to replace the existing lift station to provide the System with reliability for the transfer of increased wastewater flows for the Northeast Water Reclamation System service area.
- Doe Branch Plant Expansion, Phase 3 project will include preliminary design and engineering for the further expansion of Plant's treatment capacity from 4.0 to 12.0 MGD due to the tremendous population growth in the Northeast service area.
- Phase 1, Parallel Interceptor will continue design / engineering and begin construction of a parallel interceptor from approximately Fishtrap Road south to the Doe Branch Plant to provide additional capacity for the future increased treatment capacity upon completion of the Doe Branch Plant Phase 3 expansion from 4.0 to 12.0 MGD.
- Clarifier Rehabilitation Project (Peninsula Plant) includes funding to make vital improvements to the influent pipes, scum baffles, effluent launders, and sludge rakes for more reliable and efficient processing of solids from treated wastewater flows.

FY 2025 ADOPTED ORGANIZATIONAL CHART



* PART-TIME POSITIONS

SUMMARY OF AUTHORIZED POSITIONS

	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget		2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget
Administration				Operations/Maintenance			
Executive Director	1	1	1	Chief Operating Officer	0	0	1
Assistant to Executive Director	1	1	1	Director of Operations and Water Resources	1	1	0
Chief Administration Officer	0	1	1	Director of Operations	0	0	1
Assistant Director for Administration	1	0	0	Deputy Director of Operations	0	1	0
Director of Governmental Affairs and Communications	0	0	1	Assistant Director of Operations	1	0	0
Manager of Governmental Affairs and Communications	1	1	0	Technical Services Specialist	1	1	1
Human Resources Manager	0	1	1	Maintenance Manager	1	1	1
Procurement / Risk Manager	1	1	1	Maintenance Supervisor	1	1	1
Manager of IT Services	1	1	1	Electronics Supervisor	1	1	1
Network Systems Administrator	1	1	1	Preventative Maintenance Coordinator	1	2	2
Human Resources Staffing Coordinator	1	1	1	Vehicle & Equipment Coordinator	1	1	1
Water Education Coordinator	1	1	1	Senior Electrician	0	1	1
Laserfiche Project Coordinator	0	1	1	Senior Maintenance Mechanic	1	1	1
Senior Human Resources Analyst	1	0	0	Electrician II *	0	0	1
Engineering Documents Control Specialist	0	1	0	Maintenance Mechanic	3	3	2
Communications Specialist	1	1	1	Senior Instrumentation & Control Technician	0	0	1
Purchasing Specialist	1	1	1	Senior Electronic Technician	1	1	0
Information Technology Specialist	2	2	2	Instrumentation & Control Technician II	0	0	2
Human Resources / Purchasing Technician	1	0	0	Electronic Technician II	1	2	0
Executive Administrative Assistant	0	0	1	Instrumentation & Control Technician I	0	0	2
Senior Executive Secretary	1	1	0	Electronic Technician I	3	2	0
Administrative Assistant II	0	0	2	Maintenance Worker II	4	4	4
Executive Secretary	2	0	0	Maintenance Worker I	5	4	5
Administrative Assistant I	0	0	1	Maintenance Worker I *	0	0	1
Secretary	2	3	0	Total	26	27	29
Total	20	20	19				
Business/Finance				Northeast Water/Wastewater Reclamation System			
Chief Financial Officer	1	1	1	Water Operations Manager - North	0	1	1
Controller	1	1	1	Operations Supervisor (Water)	1	1	1
Assistant Controller	1	1	1	Senior Water Operator	1	1	1
Staff Accountant II	1	1	1	Senior Transmission Operator (Water)	1	1	1
Accounting Services Supervisor	1	1	1	Water Operator III	3	4	4
Accounting Clerk II	1	1	1	Water Operator II	5	3	3
Accounts Payable Clerk I	1	1	1	Water Operator I	2	3	3
Budget and Financial Planning Manager	1	1	1	Operations Supervisor (WW)	1	2	2
Senior Financial Analyst	1	1	1	Senior Wastewater Operator	1	2	2
Budget Analyst	1	1	1	Wastewater Operator III	5	7	5
Total	10	10	10	Wastewater Operator III *	0	0	1
				Wastewater Operator II	4	3	6
Engineering/Construction				Lakeview Regional Water Reclamation System / Peninsula Plant			
District Engineer	0	0	1	LRWRS Operations Superintendent	1	1	1
Director of Special Projects and System Optimization	0	1	0	Senior Wastewater Operator	2	2	1
Director of Engineering and Construction	1	1	1	Wastewater Operator III	3	4	4
Assistant Director of Engineering and Construction	1	1	0	Wastewater Operator II	3	5	3
Engineering Documents Control Specialist	0	0	1	Wastewater Operator I	1	0	3
Senior Professional Engineer	1	0	0	Transmission Operator	1	1	1
Project Engineer / Manager	0	0	2	Total	11	13	13
Project Engineer	1	2	0				
Project Engineer / Manager *	0	0	1	Regional Treated Water System			
Professional Engineer	1	0	0	Water Operations Manager - South	1	1	1
Electrical Engineer	1	1	1	Senior Water Operator	1	1	1
Graduate Engineer I / Graduate Engineer II	2	2	2	Process Controls Analyst *	0	0	1
GIS Analyst III	1	1	1	Water Operator III	7	8	10
GIS Analyst I	1	1	1	Water Operator II	4	3	1
Manager of Property Services	1	1	1	Water Operator I	1	1	1
Construction Project Manager	1	1	1	Transmission Operator III	1	1	1
Senior Construction Inspector	1	1	1	Irrigation Specialist (Water Conservation) *	0	0	1
Construction Inspector	3	3	3	Total	15	15	17
Total	16	16	17				
Lake Ralph Hall (LRH)				Total Authorized Positions			
Director of Water Resources & Planning	0	0	1	136	141	148	
Assistant Director of Operations - Water Resources	1	1	0	* Requested Positions (8)			
Regulatory and Environmental Compliance Coordinator	1	1	1				
LRH Capital Project Controls Analyst	1	0	0				
LRH Project Management Specialist	1	1	1				
LRH Senior Maintenance Mechanic	1	1	1				
LRH Transmission Operator I	0	0	1				
LRH Program Manager	1	1	1				
LRH Project Engineer	1	1	1				
LRH Construction Manager	1	1	1				
LRH Construction Inspector	0	1	0				
LRH Accounting Specialist	0	1	1				
Secretary	1	0	0				
Total	9	9	9				

ORGANIZATIONAL PROFILE

The Upper Trinity Regional Water District (The District) was created in 1989 by the Texas Legislature as a conservation and reclamation district, to provide towns, cities and utilities with a sound, long-term water supply. The District is authorized to provide water, wastewater, reclaimed water (non-potable), storm water, and watershed protection and water conservation services -- all on a wholesale basis. The boundaries of the District include all of Denton County, plus limited portions of Collin and Dallas Counties.

The District provides service directly and indirectly to 33 entities (24 cities and towns, 1 utility authority, 2 water supply corporations, 3 fresh water supply districts, 1 utility district, 1 water control improvement district, and the County). The District is governed by a Board of Directors appointed by member entities and is considered by many to be a model regional agency. Each member appoints a director to the governing body and Denton County appoints two directors, one of which serves at-large. Currently, the Board is composed of 24 directors. Non-public utilities have contracts under which they are represented on the governing body by the at-large director. The Board of Directors set the policies of the District and establishes regional programs as needed by members and customers. Current services include treated (drinking) water, non-potable water, water reclamation (wastewater treatment), collection of household hazardous wastes, and other water conservation and watershed protection activities.

HISTORY

The genesis of the District was in 1986, when a group of cities and utilities in the Denton County area began to meet informally with the City of Dallas to plan for adequate water supply. Also, they began to address needs for regional cooperation on a variety of issues, including compliance with water, wastewater, and solid waste regulations. After the cities and utilities decided to initiate a regional plan, the Texas Water Development Board (TWDB) awarded a grant to help develop the plan.

By 1988, the plan was complete, and legislation was drafted to create an independent water district to serve the Denton County area. Visionary leaders believed a new, independent district with fresh ideas, could provide the services most needed by the growing cities of the region. Support from the cities was unanimous and the legislature passed the bill, with the governor signing it on June 16, 1989. In 1995, an amendment was approved by the Legislature to enable the City of Irving to become a member. On May 3, 2001, the Governor signed SB 835, a second amendment, to include watershed protection as an activity.

The District has a very clear mission; to provide utility services that its members and customers need, all without any power of taxation. The District is a governmental enterprise that provides utility service on a wholesale basis and derives 100% of its revenue from the sale of needed services.

TREATED WATER SUPPLY AND FACILITIES

A priority mission of the District is to ensure an adequate water supply for members and customers throughout its service area. The District provides treated (drinking) water services on a wholesale basis to 19 retail utilities which include 29 communities. These retail utilities (including municipalities and water districts) deliver drinking water to retail customers for residential, commercial, industrial, and municipal uses.

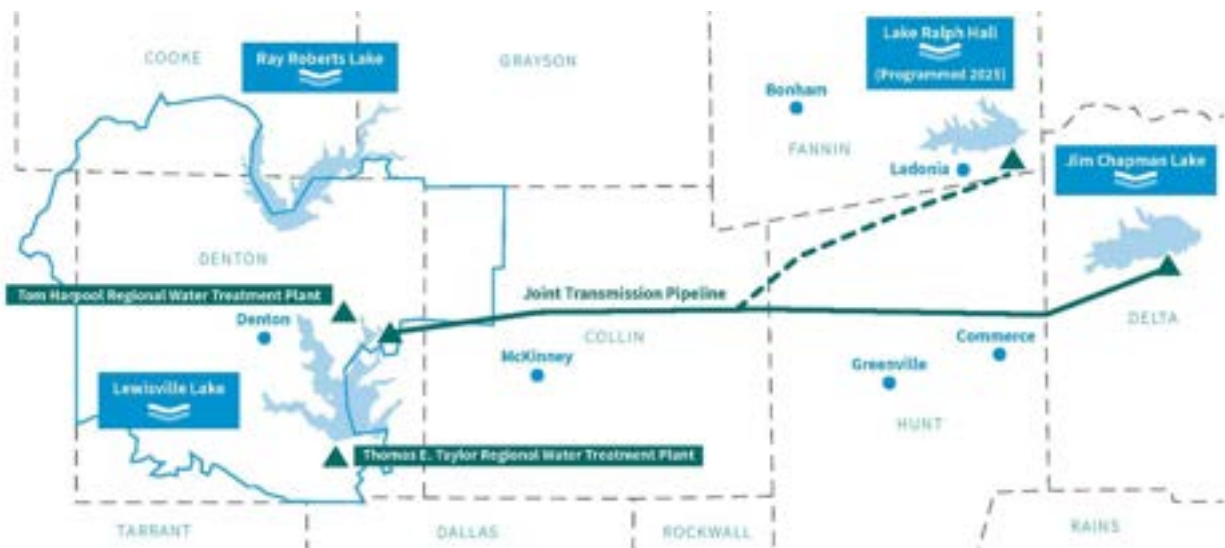
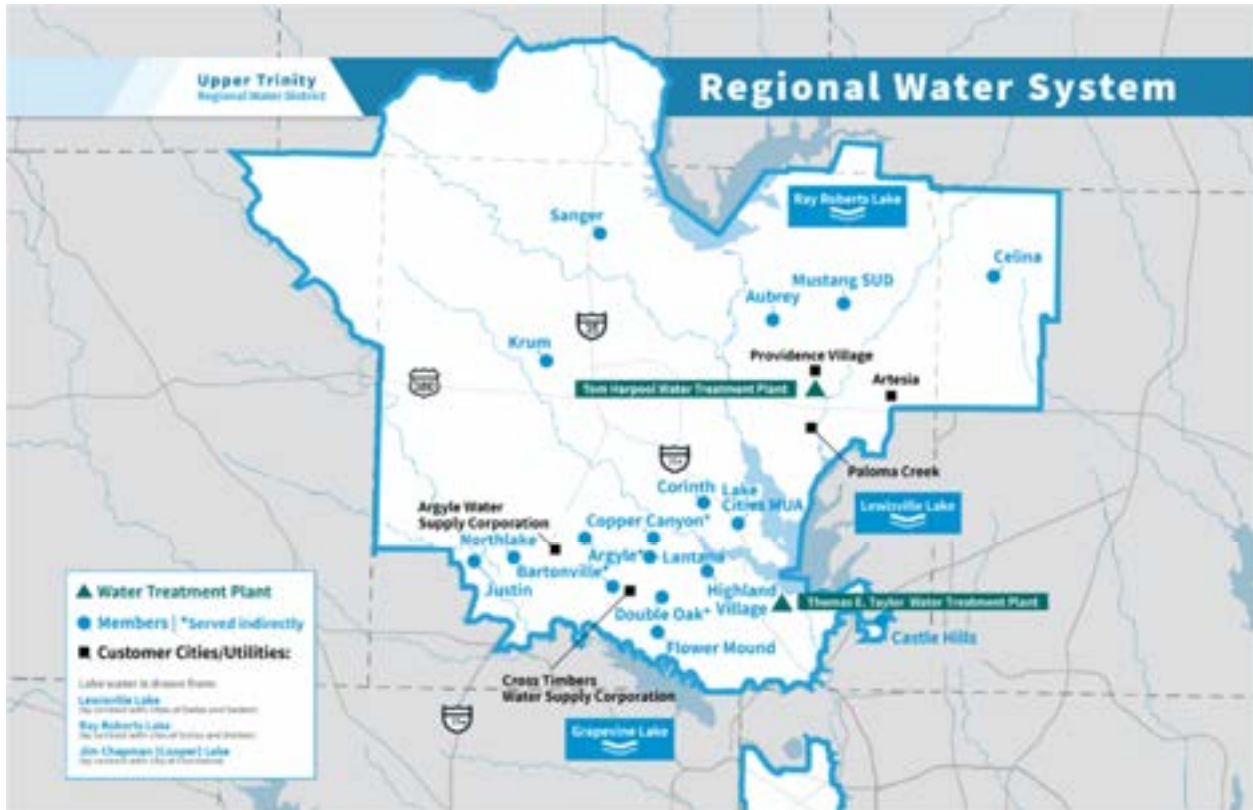
Using state-of-the-art technology and processes, the District prides itself in delivering high quality drinking water, while holding ourselves to higher water quality standards than what is traditionally required by state and federal regulations.

LONG TERM WATER SUPPLY SOURCES

Because ground water (water from wells) is so limited in this region, the most reliable source of water today, and for the future, is surface water (water from lakes). Therefore, to provide a reliable, secure, and adequate water supply for this region, the District has developed a comprehensive and diversified portfolio of water supply sources.

The District's Diversified Water Portfolio
Lewisville Lake water (purchased from Dallas Water Utilities and the City of Denton)
Chapman (Cooper) Lake in northeast Texas
Reuse of water from water reclamation plants
Proposed Lake Ralph Hall in Fannin County
Possible additional water from Sulphur River Basin

Water from Chapman Lake is delivered through a pipeline owned and operated by the City of Irving. A portion of the District's flows from Chapman Lake is delivered to the Tom Harpool Regional Water Treatment Plant in northeast Denton County, and a portion is discharged into Lewisville Lake for use at the Thomas E. Taylor Regional Water Treatment Plant in Lewisville. The following map illustrates the District's current and future water supply sources.



To maintain adequate water supplies in the future, more water conservation and more reuse of existing supplies are part of the answer. However, additional water sources are absolutely critical. The District is constructing a new source of water in Fannin County - - Lake Ralph Hall. Additional sources are also being developed to be brought online to meet the long-term demand projections.

Lake Ralph Hall, a proposed new water supply lake along the North Sulphur River in Fannin County will provide a safe, reliable water source for the entities that depend on the District. It is the most feasible and lowest cost source of new water available to the District and will be built in time to avoid a water

shortfall. The reservoir is projected to begin yielding raw water for District operations in the summer of 2026.

REGIONAL TREATED WATER SYSTEM

The District constructed its first regional water treatment plant in Lewisville, Texas in 1997 -- the Regional Treated Water Plant -- designated as the Thomas E. Taylor Regional Water Treatment Plant in 2009. In order to meet the growing needs of its customers, the District completed the construction of its second water treatment plant in 2008 -- the Tom Harpool Regional Water Treatment Plant.

Thomas E. Taylor Regional Water Treatment Plant - This water treatment plant provides treated drinking water to communities and utilities in southern Denton County. Treating to its full 20 million gallon per day (MGD) capacity the first full year of operation, the plant was expanded to 70.0 MGD in 2001. The next phase of the expansion from 70.0 to 85.0 MGD is currently underway and is anticipated to be completed in FY 2028. The plant was planned with staged expansion capability to at least 300.0 MGD of treatment capacity as needed to provide for future growth within the District's service area. Plant features include:

- Ozone as a primary disinfectant resulting in improved destruction of bacteria and viruses, fewer chlorination by-products, and removal of taste and odor components from lake algae and blooms.
- Granular activated carbon is used in the filter beds to remove organic compounds, including pesticides and herbicides.
- Flocculation slows the mixing and coagulation of solid material without using electrical power.
- State-of-the-art computer systems are used to monitor transmission flows, elevations in storage facilities and customer demand levels.

Tom Harpool Regional Water Treatment Plant - The Tom Harpool Plant provides treated drinking water to communities and utilities in northeastern Denton County and western Collin County. The plant also provides redundancy for the Taylor Regional Water Treatment Plant in Lewisville. Employing the latest in membrane technology, this plant provides very high-quality drinking water. The Tom Harpool Plant currently has a capacity of 30.0 MGD and the expansion of administration and maintenance facilities, increased raw water handling, and treatment capability is ongoing. Construction to further expand from 30.0 to 60.0 MGD is anticipated to begin in FY 2025. The plant layout has been designed to accommodate future expansions when needed by the District's members and customers to a total capacity of approximately 240.0 MGD. Plant features include:

- Membrane filters that perform multiple functions - reduce turbidity, remove harmful pathogens, and reduce the amount of organic carbon in combination with the coagulant.
- A four million gallon clear well provides storage of finished water.
- A pump station to pump the treated water into the distribution system.

Transmission Facilities - The District's water transmission facilities include approximately 106.12 miles of pipelines transporting water to its members and customers, along with pump stations and water storage facilities. All of these facilities, and treatment plants, are a part of the District's

regional treated water system, and transport dependable, high quality drinking water to its members and customers.

Transmission Pipelines - The District has transmission pipelines that extend from Justin to Celina and from Flower Mound to Sanger.

Stone Hill Pump Station - Located in Flower Mound, the Stone Hill Pump Station includes two ground storage tanks and pumping capacity to deliver approximately 40.0 MGD of treated water to the District's members and customers.

Temple Dane Pump Station – In 2000, the District partnered with Mustang Special Utility District to construct a joint pump station and a one million-gallon storage facility to provide approximately 12.0 MGD of treated water to the District's members and customers.

Southwest Pump Station – Located in the Canyon Falls Development near Northlake and Flower Mound, the Southwest Pump Station will have 2 5-million-gallon ground storage tanks that are able to pump approximately 25.0 MGD of treated water to District Members and Customers. This is project anticipated to be completed in FY 2026.

WATER RECLAMATION FACILITIES

LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM

The District initiated wholesale water reclamation service to customers of the Lakeview Regional Water Reclamation System (LRWRS) in August 1996. When the service was initiated, the District assumed ownership and operational control of Lake Cities Municipal Utility Authority's (LCMUA) existing water reclamation plant with 1.0 MGD capacity and began treating all wastewater flows from LCMUA, plus a limited flow from the City of Corinth.

The LRWRS has been constructed in phases, with each phase being a group of project elements. A project element is a distinct physical part of the system to which costs are allocated for ratemaking purposes. Phase 1 of the project, which included the Corinth Pipeline and Joint Pipeline, was completed in the fall of 1996. The treatment plant portion was completed in September 1998 and increased the capacity to 3.5 MGD. Phase 2 of the project, which includes a pipeline to deliver flows from the City of Highland Village and a pipeline to deliver flows from additional LCMUA customers, was completed in October 1998. In 2003, LRWRS plant was expanded to 5.0 MGD and wholesale service was extended to six member entities: LCMUA, Corinth, Highland Village, Denton County Fresh Water Supply District #7, Double Oak and Bartonville. The District upgraded the plant's processing equipment and expanded its treatment capacity to 5.5 MGD in FY 2013. As the District has experienced with its other water reclamation plants, flows in the Lakeview Regional Water Reclamation System have reached the point where expansion of the treatment capacity of the Plant is necessary. Construction to expand the treatment capacity of the Lakeview Plant from 5.5 MGD to 7.5 MGD is projected to begin in FY 2025.

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM

In 2003, water reclamation service began in northeast Denton County serving six members and customers on a wholesale basis: Lincoln Park, Mustang Special Utility District and four Fresh Water Supply Districts (Denton County Fresh Water Supply District #9 later became The Town of Providence Village in 2010, while DCFWSD #10 later became Elm Ridge Water Control Improvement District in 2022). During FY 2015, the Town of Lincoln Park dissolved with Mustang Special Utility District acquiring their utility system and

taking assignment of their water and water reclamation contracts. In FY 2018, Mustang SUD acquired a majority of DCFWSD #10's subscribed capacity at the Riverbend Plant (0.5265 MGD) and later acquired the City of Aubrey's 0.28 MGD subscribed capacity FY 2019. The District's Northeast Regional Water Reclamation System consists of two regional water reclamation plants, a lift station and associated force mains, and a regional system of wastewater collection interceptors.

Riverbend Plant - Constructed in 2003 to serve the portion of northeastern Denton County generally north of U.S. Highway 380 and east of U.S. Highway 377. The plant consists of an influent lift station, biological treatment in sequencing batch reactors, filtration, and final ultraviolet disinfection. During FY 2013, the District completed improvements to this plant's treatment processes which included upgrades to the sludge holding tank to enhance the reliabilities and performance of the plant's solids management to facilitate a 2.0 MGD treatment capacity. Due to the rapid growth experienced in the northeast service area, the treatment capacity of the Riverbend Plant was expanded from 2.0 to 4.0 MGD.

East Side Lift Station - This water reclamation pump station was constructed in 2003 ahead of the Doe Branch Plant on the Doe Branch property, to serve development in the Doe Branch drainage basin. The Lift Station is currently used in conjunction with the Doe Branch plant, which became operational in November 2016.

West Influent Lift Station – This water reclamation pump station is being constructed to serve development north and west of the Riverbend Plant and is anticipated to be operational in 2027.

Doe Branch Plant - This water reclamation plant became operational in November 2016 and serves the cities of Celina and Prosper, as well as a portion of Elm Ridge WCID (formerly DCFWSD #10) and Mustang Special Utility District. Similar to the Riverbend Plant service area, the Doe Branch Plant service area has experienced tremendous population growth. An expansion of this Plant's treatment capacity from 2.0 to 4.0 MGD began in FY 2020 and became operational in FY 2022. Construction for a further expansion from the current capacity of 4.0 to 12.0 MGD began in August 2023 and is anticipated to be completed in FY 2028.

PENINSULA WATER RECLAMATION PLANT

Constructed and placed in service in 2003, the Peninsula Plant was initially a 0.325 MGD advanced treatment facility located between the cities of Oak Point and Cross Roads in Denton County, north of the Dallas / Fort Worth Metroplex. The Peninsula Plant discharges into the Cantrell Slough, and feeds directly into Lewisville Lake, which is a major source of drinking water for the North Texas area. As a result, the District ensures that the plant's effluent flows are of an exceptionally high quality.

The Peninsula campus was designed and constructed to blend in with the rural area in which it is located. Existing trees and the natural grades and vegetation were incorporated as much as possible. The Peninsula Plant receives wastewater primarily from residential homes and some retail commercial businesses. The plant currently provides water reclamation services for the Mustang Special Utility District. The City of Oak Point transferred its water reclamation Certificate of Convenience and Necessity (CCN) and assigned its water reclamation contract to the Mustang Special Utility District beginning in October 2015.

An expansion of the Peninsula Plant was completed in FY 2010 to increase its rated capacity to 0.94 MGD. The expansion also provided biological phosphorous removal (with chemical backup), a new headworks and biological odor control to better ensure that odors are not a nuisance to its neighbors. Due to continued growth in the service area of this Plant, the District began design and engineering for the expansion of its treatment capacity to 2.0 MGD in January 2020. The expansion was completed, and the additional treatment capacity was placed on-line in September 2023.

NON-POTABLE (RECLAIMED WATER)

Believing that good stewardship of the water resource includes reuse, the District entered into a contract in 1995 with Denton County Fresh Water Supply District #1A to supply treated wastewater for golf course irrigation. Up to two million gallons per day of treated effluent from the City of Lewisville wastewater treatment plant can be pumped to the Castle Hills golf course in Lewisville for irrigation. DCFWSD #1A was annexed by Lewisville in 2022.



The non-potable system consists of a pump station and a pipeline. The system provides both treated effluent and raw water service. Treated effluent is used for the irrigation of the golf course and other non-contact recreational areas. Raw water is used for the irrigation of parks and other contact recreational areas.

WATERSHED PROTECTION PROGRAM

Protecting Our Water Supply Right Where We Live!

The area around the local water supply lakes in Denton County are being transformed from a rural setting to urbanized communities. Population growth and development continues. In the public interest, it is urgent that the potential effect on water quality and the water supply for this region not be taken for granted.



Communities in the local watersheds are knitted together by the many water ways that extend into and through neighborhoods. The District's coordinated program for Watershed Protection offers the opportunity to work with nearby communities on common strategies. Pursuing a shared vision about Watershed Protection allows communities to achieve better results. The District's goal is to preserve and safeguard the quality of water resources and quality of life -- right where we live.

On behalf of the communities in its service area, the District is coordinating a Watershed Protection Program for mutual benefit. Each community has a strategic opportunity to help preserve and protect natural features of the watershed, including creeks, flood plains, riparian zones, wetlands and greenbelts. Also, each citizen can become informed about their own watershed and can help protect water quality in everyday activities at home and at work. The regional Watershed Protection Program includes both education and outreach, including social media and digital advertisements, hands-on demonstration activities, and tours.

RICH LUBKE COMMUNITY ORGANIC GARDEN

The District expanded the concept of the Nancy Tam Water-Wise Demonstration Garden to include an organic community vegetable garden. The garden provides healthy vegetables and fruits for local food banks and promotes organic gardening practices that protect water quality- no harmful pesticides, fertilizers, or herbicides are required. Working with the Salvation Army, Wal-Mart, Knight-Light Charities, Inc., Christian Community Action, etc., the vegetable garden provides educational opportunities that promote the District's Watershed Protection Program. The garden currently has a total of 55 plots, growing healthy fruits and vegetables.



WATER CONSERVATION PROGRAM



To assure adequate water supplies for the future, conservation of existing resources must become a way of life - - for everyone. The District offers public outreach, programs and tours to educate about earth-friendly landscape techniques, irrigation practices and more efficient personal and business water usage. Additionally, as a demonstration for customer entities, the District developed and maintains the Nancy Tam Water-Wise Demonstration Garden to showcase the beauty and practicality of water-conserving landscape. This garden includes more than 100 varieties of plants that are either native to Texas or are well adapted to the area. The District also hosts tours of the Taylor Water Treatment Plant for schools and other groups to teach the importance of water conservation and to explain how water is treated and distributed. District staff coordinate with local partners to host educational events, such as presentations and workshops, and staff are also available to make presentations to schools and other groups upon request.

The District promotes the importance of conservation through public awareness campaigns primarily focused on reducing outdoor watering. The District places public service announcements and advertisements on radio, television, digital billboards, social media and its website or by promoting newspaper articles and advertisements in newspapers with general circulation in the service area. The District provides messaging to its Customer utilities to use to promote a regional conservation message on their respective social media and websites.

In 2015, the District partnered with Texas A&M AgriLife to implement the 'Water My Yard' outdoor watering management program. The 'Water My Yard' website, WaterMyYard.org, allows residents to receive weekly lawn watering recommendations, which are given in minutes. Recommendations are based on data from three weather stations that the District installed in its service area, as well as the landscape's needs, to prevent unnecessary overwatering. 'Water My Yard' is a free service. To gain new subscribers, the District encourages its Customer utilities to promote 'Water My Yard' to their respective retail customers.

The District began a residential irrigation system evaluation program in 2017 that is promoted mainly through Customer cities and utilities. A typical evaluation includes identification of potential system leaks, diagnosis of equipment malfunctions, and recommendations for equipment upgrades and controller settings to enhance water efficiency. During the evaluation, education about good landscape watering practices and the use of earth-friendly materials is shared with the retail customer. Evaluations are paid

by Upper Trinity and are free for residents. Due to continued growth in the District's overall service area and the importance of maintaining sufficient raw water supplies, public education and outreach activities that stress the importance of water conservation are being funded through the FY 2025 adopted budget, including additional funding for a new Irrigation Specialist to conduct residential sprinkler inspections, with approximately 400 evaluations projected for completion this fiscal year.

UPPER TRINITY CONSERVATION TRUST (THE TRUST)

As a non-profit 501(c)(3), the Trust encourages the conservation, stewardship, and enjoyment of riparian lands along and near waterways. To protect scarce water resources for future generations, the Trust works with individual landowners, communities, and developers to preserve these special natural areas. The Trust leads a voluntary, non-regulatory approach to land conservancy and water quality protection. During the past several years, the Trust has focused on educating the various stakeholders about the importance of watershed protection and how the Trust can be a valuable and effective tool in protecting water quality in local streams and lakes.



The Denton County Greenbelt Plan, developed by the Trust, the District, and Denton County, is a great tool to identify potential riparian assets and greenbelt areas for preservation. The Plan prioritizes areas at risk of urbanization and identifies locations where land conservation and green infrastructure can promote water quality protection. Recommended strategies for voluntary implementation of the Plan were provided to municipalities, the development community, landowners, nonprofit organizations, and citizens. The Plan has been adopted by the Trust, the District, Denton County and several other area municipalities and utilities.

HOUSEHOLD HAZARDOUS WASTE PROGRAM



The District provides a Household Hazardous Waste Collection Program to communities that have contracted for participation. Communities host special collection events for their citizens to dispose of household hazardous waste, such as paint, cleaning compounds, insecticides, and herbicides, in a safe and environmentally responsible manner. Collection events, such as these, help keep pollutants out of community waterways, drinking water sources, and landfills.

A collection event is a shared responsibility between the District and the entity. The District brings its special mobile collection trailer to a scheduled event - - providing a convenient and safe way for residents to dispose of their hazardous wastes. The District transports and disposes of the hazardous waste collected at the special event through a contract with the City of Fort Worth. After each collection event, the community is billed based on the number of households participating in the event.



The District offers three different methods for individuals who wish to safely and responsibly dispose of Household Hazardous Waste (HHW).

- **Scheduled Event:** Household hazardous waste is delivered to a local collection event. Citizens of a participating community receive a notice of the date and time of the event.
- **Contract Voucher:** If a city participates in the District's program for collection of household hazardous waste, a resident of that city may pick up a voucher from the HHW coordinator for your city. When the voucher is used, the city will be billed.
- **Event / Fort Worth Voucher:** May be purchased by an individual directly from the District.

The District's program has been providing an interim service until cities are capable of hosting their own programs, generally through their solid waste providers. This initiative has been very successful in keeping pollution out of our watershed sources.

As a regional system for Denton and Collin Counties, the District provides vital services on a wholesale basis for cities, towns and utilities. By working together, our communities are able to achieve results and services on better terms and at lower costs than would otherwise be possible if each community acted alone.

The following chart reflects the District’s services and the communities to which these services are provided.

UPPER TRINITY REGIONAL WATER DISTRICT

Entity Served	Treated Water	Water Reclamation	Household Haz. Waste	Other Services**
Argyle WSC				
Argyle*				
Aubrey				
Bartonville*				
Celina				
Copper Canyon*				
Corinth				
Cross Roads*				
Cross Timbers WSC				
Denton	***			
Denton County				
Denton County FWSD #7				
Denton County FWSD #8A				
Denton County FWSD #11A				
Double Oak*				
Elm Ridge WCID				
Flower Mound				
Hickory Creek*				
Highland Village				
Irving	***			
Justin				
Krugerville*				
Krum				
Lake Cities MUA				
Lake Dallas*				
Lewisville				
Mustang SUD				
Northlake				
Oak Point*				
Pilot Point				
Ponder				
Prosper				
Providence Village				
Sanger				
Shady Shores*				

- * Indirect Customer: Receives retail water and/or water reclamation service from a wholesale member or customer of Upper Trinity
- ** Other Services include Non-Potable Water, Joint projects, Growth program
- *** Participating jointly with Upper Trinity in a water project

BUDGET OVERVIEW

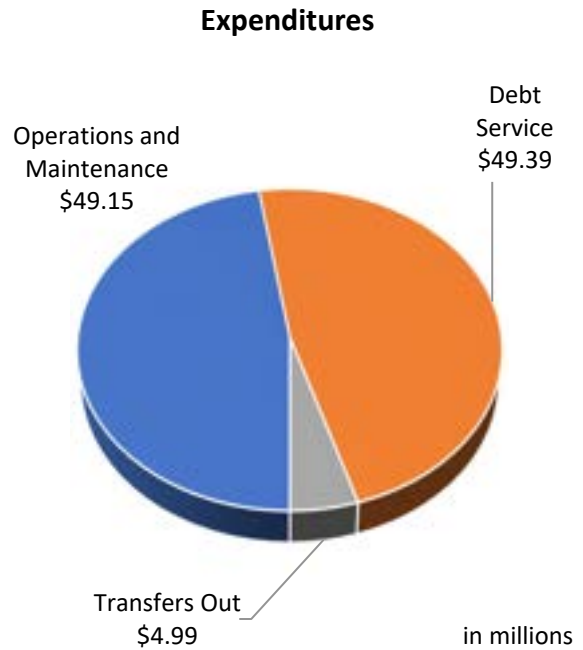
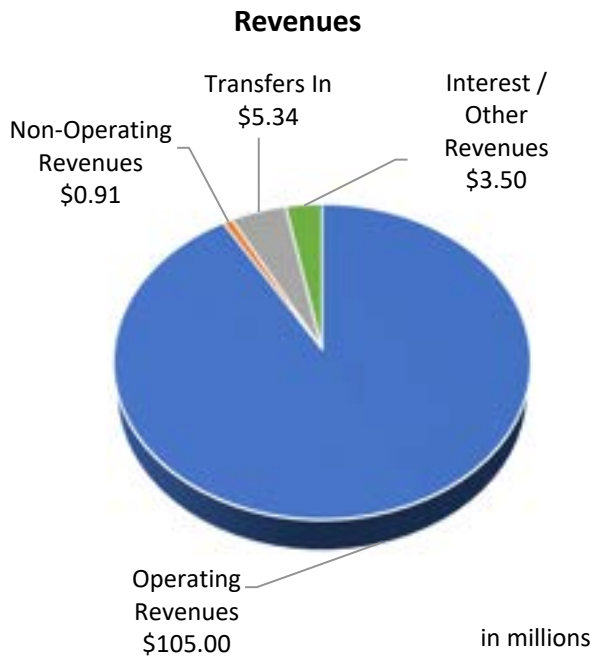
The adopted FY 2025 budget presents a comprehensive projection of Upper Trinity Regional Water District (UTRWD) operations from October 1, 2024 through September 30, 2025. This budget overview describes the key recommendations encompassing the FY 2025 budget.

The District functions as an Enterprise Fund that provides wholesale water and wastewater service to municipalities and special districts primarily in the southern Denton County area and presents an annual budget that is prepared on the Cash Basis method, whereby all transactions are recognized when cash changes hands. This differs from the method used to prepare the District's annual financial statements, which are reported under the accrual method, whereby revenues are recognized when earned and expenses are recognized when incurred. There are also Internal Service funds (Administration, Information Technologies, and Maintenance) that support the District's four core businesses. These core businesses consist of:

- **Water System** – the Regional Treated Water System includes functions related to the development and provision of additional water resources, pumping of raw water from existing sources, treatment of raw water, and distribution of treated water to members / customers of the System. Additionally, this System provides funding (through a portion of its Volume Rate) for development of Future Water Sources, Watershed Protection outreach and educational programs, and promotion of Water Conservation initiatives.
- **Wastewater Systems** – the Lakeview and Northeast Regional Water Reclamation Systems and the Peninsula Water Reclamation Plant include functions related to the collection of wastewater flows from members / customers entities, treatment of wastewater flows, and pumping of treated effluent water (reuse) back into Lake Lewisville (a raw water source of UTRWD).
- **Non-Potable Water System** – includes functions related to providing treated effluent and raw water to one member of the UTRWD for irrigation and industrial purposes.
- **Household Hazardous Waste** – includes functions related to coordinating collection events with contracted communities in the UTRWD's service area and properly disposing of hazardous waste (paint, chemicals, e-waste, batteries, etc.) at a contracted landfill. This program is offered by UTRWD to ensure that such hazardous materials are disposed of properly and kept out of the District's watershed.

UTRWD's FY 2025 Operating budget, adopted by its Board of Directors on September 5, 2024, totals \$103,527,375 an overall increase of 16.40% (\$14,588,550) from the 2024 budget total of \$88,938,825. Debt service expense increased \$10,188,315 from FY 2024 due to the District's capital improvement program. Additionally, Raw Water expense (Regional Treated Water System) reflects an increase of \$2,079,505 due to a 7.20% rate increase from Dallas Water Utilities, as well as an increase in usage of Dallas raw water for FY 2025 due to Denton Water Utilities' decision to no longer supply the District with raw water until the raw water contract is finalized. A District-wide summary of FY 2025 revenue requirements (expenses), as well as the sources of funding to meet these requirements (revenues), is provided in the following table (next page). FY 2024 data is also provided for comparison purposes.

Operating Systems	\$ in Millions			
	FY 2024 Budget	FY 2025 Budget	\$ Change	% Change
Revenues				
Operating Revenues	\$ 92.21	\$ 105.00	\$ 12.79	13.9%
Non-Operating Revenues	0.42	0.91	0.49	116.7%
Transfers In				
Internal Reserve Funds	1.44	5.18	3.74	259.7%
Other Systems	0.32	0.16	(0.16)	(50.0%)
Interest / Other Revenues	2.98	3.46	0.48	16.1%
Total	\$ 97.37	\$ 114.71	\$ 17.34	17.8%
Expenditures				
Operations and Maintenance	\$ 45.29	\$ 49.15	\$ 3.86	8.5%
Debt Service and Related Expenses	39.20	49.39	10.19	26.0%
Transfers Out				
Internal Reserve Funds	4.07	4.77	0.70	17.2%
Other Systems	0.38	0.22	(0.16)	(42.1%)
Total	\$ 88.94	\$ 103.53	\$ 14.59	16.4%
Increase / (Decrease) to Fund Balance	\$ 8.43	\$ 11.18	\$ 2.75	32.6%



OPERATING REVENUES

FY 2025 District operating revenues reflect a 13.9% increase from FY 2024 due to the combination of increases to rates and charges established for each core business (Operating System), as well as projected increases to treated and non-potable water and wastewater flows. Operating revenues consist of those rates and charges established by the District for each System’s contracted capacity (fixed charge), as well

as treated / non-potable water and wastewater flows (variable rate). Additionally, these revenues include debt services payments from System participants for jointly and individually owned facilities (pipelines, lift stations, etc.), interest charges for an interfund loan (interim finance charges), fees for Administration and Planning (Administration Fund), and charges for Household Hazardous Waste.

The following table represents District-wide Operating Revenues for FY 2024 and FY 2025:

Operating Revenues	\$ in Millions				
	FY 2024	FY 2025			
	Budget	Budget	\$ Change	% Change	
Demand Revenues	\$ 47.51	\$ 53.34	\$ 5.83	12.3%	
Fixed O&M Revenues	8.41	8.84	0.43	5.1%	
Volume Revenues	22.90	25.92	3.02	13.2%	
Treatment / Transportation Revenues	6.59	7.70	1.11	16.8%	
Capital Charges (w/Interim Finance Charges)					
Joint and Individual Facilities	6.45	9.01	2.56	39.7%	
Interim Finance Charges	0.16	-	(0.16)	(100.0%)	
Administrative and Planning Fees	0.17	0.17	-	0.0%	
Charges for Household Hazardous Waste	0.02	0.02	-	0.0%	
Total	\$ 92.21	\$ 105.00	\$ 12.79	13.9%	

NON-OPERATING REVENUES

District Non-Operating Revenues consist of revenues (reimbursements for previously financed facilities, rental revenues, etc.) that are not from the delivery of core business services. This category of revenue is projected to increase by 116.7% (approximately \$490,000) from FY 2024 largely due to a new annual reimbursement from Providence Village for the District's cost of constructing and financing a second point of delivery and metering station for the delivery of additional treated water flows (\$348,770 per year for five years). Additionally, Mustang Special Utility District's annual reimbursement for the construction of the Temple Dane Pump Station (joint project with UTRWD) was increased from \$267,570 (adopted FY 2024) to \$392,745 due to Mustang SUD's percentage share of ownership for the Temple Dane Pump Station being increased from 55.0% to 70.0% because of increased flow usage. This annual reimbursement from Mustang SUD is projected to end in FY 2026.

The following table represents District-wide Non-Operating Revenues for FY 2024 and FY 2025:

Non-Operating Revenues	\$ in Millions				
	FY 2024	FY 2025			
	Budget	Budget	\$ Change	% Change	
Contract Revenues	\$ 0.27	\$ 0.74	\$ 0.47	174.1%	
Rental Revenues	0.09	0.11	0.02	22.2%	
Shared Debt Payments	0.06	0.06	-	0.0%	
Total	\$ 0.42	\$ 0.91	\$ 0.49	116.7%	

TRANSFERS IN

FY 2025 District Transfers In from Internal Reserve Funds consist of uses of funds previously contributed to various reserve funds or from internal working capital to offset an operating expense in lieu of a rate requirement. This category of revenue is projected to increase by 203.4% from FY 2024 primarily due to the use of excess working capital identified from FY 2023 operational results (\$1.89 million) that was deposited to the Interest and Sinking (I&S) Reserve in the Regional Treated Water System (RTWS) to be used to offset new debt service from the conversion of variable rate debt into long-term debt during FY 2025. In addition, interest earnings (\$2.40 million) on the District's Texas Water Development Board (TWDB) Board Participation funds for the Lake Ralph Hall project that are in escrow will be utilized to fund the total debt service from the outstanding Series 2015, 2019, 2020, and 2021 TWDB Board Participation loans.

There is also a \$130,000 increase from the Vehicle / Equipment Replacement Reserve to purchase two vehicles for two new positions included in the FY 2025 budget (an Electrician II in the Maintenance Division and a Process Controls Analyst that is allocated through all District operations). These funds consist of excess working capital identified during the close of FY 2023 operations and that were deposited to the Vehicle / Equipment Replacement Reserve at Mid-Year 2024 specifically for the purpose of funding these vehicles without a rate requirement.

A transfer in of \$632,500 is also reflected from the Northeast Regional Water Reclamation Systems' (NERWRS) Construction Cash Reserve (Doe Branch Plant) consisting of bond proceeds from Series 2022 revenue bonds on the City of Celina's behalf for their share of the Doe Branch Plant's Phase 3 expansion project to offset their FY 2025 principal and interest debt service amount (in lieu of payment). Due to the Doe Branch Plant's Phase 2 expansion project having been completed under budget, the City of Celina had surplus funding that could be redirected to the Phase 3 expansion project so that the bond proceeds from the 2022 revenue bond issue could legally be used to offset their 2025 debt service payment.

FY 2025 District Transfers In from Other Systems consist of loan payments from other System participants for prior year funding of capital projects by Regional Treated Water System's internal reserve funds, transfer of customer rate surcharge revenue from the RTWS and NERWRS to the Administration Fund, as well as reimbursements for internal uses of services between Operating Systems. Due to no longer having the need to complete a loan from the RTWS' Non-Bond Capital Reserve to the NERWRS' Non-Bond Capital Reserve to continue with the Relocation / Texas Department of Transportation's (TxDOT) Highway 380 project, this transfer was no longer necessary for FY 2025. This project requires that the District request periodic reimbursements from TxDOT for capital outlays to fund this project that consists of the relocation of District infrastructure lies within the roadway easements of Highway 380 in Denton County. Sufficient and timely reimbursements were received from TxDOT allowing sufficient liquidity to continue with this project without having Doe Branch Plant participants make monthly interest payments on the use of RTWS funds and to then transfer those interest payments from the NERWRS to the RTWS Non-Bond Capital Reserve.

The following table represents District-wide Transfers In for FY 2024 and FY 2025:

Transfers In	\$ in Millions			
	FY 2024	FY 2025	\$ Change	% Change
	Budget	Budget		
From Internal Reserve Funds				
I&S Reserve	\$ -	\$ 1.89	\$ 1.89	N/A
Board Participation Construction Cash Reserve	1.31	2.40	1.09	83.2%
Series 2000-A Bonds Reserve	0.12	0.11	(0.01)	(8.3%)
Vehicle / Equipment Replacement Reserve	-	0.13	0.13	N/A
Construction Cash (Doe Branch Plant)	-	0.64	0.64	N/A
Working Capital	0.01	0.01	-	0.0%
From Other Systems				
Customer Rate Surcharge Revenue	0.16	0.16	-	0.0%
Loan Payments / Debt Service Payments	0.16	-	(0.16)	(100.0%)
Total	\$ 1.76	\$ 5.34	\$ 3.58	203.4%

INTEREST AND OTHER REVENUES

FY 2025 Interest and Other Revenues consist of revenue earned from investment of operating funds (Interest) and Other Revenues, such as credit card and auction proceeds. This category of revenue is projected to increase 16.1% for FY 2025.

The following table represents District-wide Interest and Other Revenue for FY 2024 and FY 2025:

Interest and Other Revenues	\$ in Millions			
	FY 2024	FY 2025	\$ Change	% Change
	Budget	Budget		
Interest Revenue	\$ 2.91	\$ 3.43	\$ 0.52	17.9%
Other Revenues	0.07	0.03	(0.04)	(57.1%)
Total	\$ 2.98	\$ 3.46	\$ 0.48	16.1%

For additional information regarding the District's revenues, refer to the "Revenue Summary" section of this budget document.

OPERATIONS AND MAINTENANCE (O&M) BUDGET HIGHLIGHTS

The FY 2025 O&M budget totals \$49.15 million, reflecting an increase of \$3.86 million, or 8.5%, compared to \$45.29 million in FY 2024. The table below summarizes the primary drivers for the change in the O&M budget from FY 2024 to FY 2025:

	<u>\$ in Millions</u>
FY 2024 O&M Budget	\$ 45.29
Personnel Services	\$ 0.46
Plant & Equipment Maintenance	0.55
Raw Water Purchases	2.15
Chemicals	0.33
Electricity	0.44
Bio-Solids Disposal	0.39
Vehicle Expense	(0.22)
Capital Furniture / Equipment > \$5K	0.56
Administration and IT Fund Allocation	(0.89)
Other O&M Changes (Net)	0.09
Net Increase in O&M	<u>\$ 3.86</u>
FY 2025 O&M Budget	<u>\$ 49.15</u>

The District’s Personnel Services expense is projected to increase \$0.46 million for FY 2025 (6.2%), which includes a 6.0% increase for merit raises and promotions to help curb employee turnover. In addition, a full year of expense is included for eight new positions in Operations , Maintenance, and Engineering / Construction, consisting of:

- A Process Controls Analyst allocated throughout the District’s operating funds.
- A Wastewater Operator III (allocated 90.0%) in the Northeast Regional Water Reclamation System (NERWRS) and at the Peninsula Plant (allocated 10.0%).
- Two Wastewater Operators in the NERWRS (Riverbend and Doe Branch Plants).
- A Maintenance Worker in the District’s northeast service area’s Maintenance Division.
- An Electrician II in the Maintenance Division.
- An Irrigation Specialist in the Regional Treated Water System’s (RTWS) Water Conservation Program.
- A Project Engineer for the District’s Engineering / Construction Division (allocated 90.0%) and the Administration Fund (allocated 10.0%).

Plant and Equipment Maintenance expense (District-wide) was increased by \$0.55 million (36.9%) for FY 2025. Based on prior and current year spending, as well as the tremendous growth being experienced in all District operating systems, this increase was necessary to project a Plant and Equipment Maintenance budget more in line with annual expenditures. Several operating plants (Doe Branch Regional Water

Reclamation Plant and the Harpool Regional Water Treatment Plant are operating at near capacity, thus increasing the possibility of those plants experiencing increased wear and tear issues, thus requiring additional funding to prevent a shutdown of services to plant participants.

Projected FY 2025 Raw Water Purchase expense resulted in an increase of \$2.15 million (18.3%) from FY 2024. This overall increase is a result of a 7.2% rate increase from Dallas Water Utilities (DWU), and an increase in the quantity required to meet projected sales, while also not having raw water available from the City of Denton. Currently, there are on-going negotiations with the City of Denton to develop a new raw water agreement between Denton and the District. For FY 2025, Dallas raw water makes up roughly 63.1% of the Regional Treated Water System's (RTWS) raw water portfolio, while raw water from Chapman Lake (located in Delta and Hopkins counties) which is partially owned by the District, is projected to provide 24.6% of the total raw water portfolio. Finally, reuse water, effluent water returned to Lewisville Lake via the District's water reclamation plants, makes up the remaining 12.3% of raw water needed to meet projected sales for FY 2025.

Since the District partially owns Chapman Lake (along with Sulphur River Municipal Water District and North Texas Municipal Water District), it is also the cheapest source of raw water. Projected FY 2025 Lake Chapman Raw Water expense increases from FY 2024 by \$66,610 from FY 2024 due to utilizing more of this raw water, along with a 4.0% projected pumping rate increase from the City of Irving (from \$0.124 to \$0.13 / 1,000 gallons pumped). The quantity-mix of these raw water sources is a major factor that determines the Regional Treated Water System's total variable costs and subsequently, the proposed Volume rate that is necessary to recoup the System's variable costs for the fiscal year.

The long-term goal of the District is to reduce its dependence on Dallas Water Utilities as a source for raw water. This was one of the strongest motivators for the District to construct Lake Ralph Hall, located in Fannin County, which is projected to store up to 180,000 acre-feet of water and expected to become available (at a minimum usage amount) to the District in FY 2026. Additionally, District staff are continually working to develop other raw water sources in the northeast Texas and southern Oklahoma regions as part of its long-term water resource planning activities completed through the Future Water Program under the Regional Treated Water System.

District operations (water and wastewater) utilize a wide variety, as well as a large quantity, of chemicals in the production of treated water and for the treatment of wastewater. In FY 2024, the District continued to experience double-digit percentage cost increases for some of its water and wastewater treatment chemicals due to continued market pressures for oil and petroleum related products, although not to the extent as incurred in FY 2022 and FY 2023. With updated bids received from a majority of the District's chemical vendors by the end of FY 2024, the overall FY 2025 chemical budget for all District operations reflects a \$0.33 million (7.0%) increase. This amount includes an increase of approximately \$0.24 million (6.1%) for water treatment operations and \$0.09 million (11.6%) for wastewater operations.

Although the District has a long-term electricity contract with a provider for certain segments of the Regional Treated Water System (Raw Water Intake Structure and Taylor Water Treatment Plant) and the Lakeview Regional Water Reclamation Plant to provide a fixed kilowatt hour rate through May 2027, the FY 2025 budget includes increases to electricity rates for the District's other facilities not under a long-term contract and served by Coserv. For these facilities, a projected rate increase of 6.0% based on year-to-date electricity costs, is included for FY 2025. Total Projected electricity costs for the District's water

and wastewater plants reflect a total cost increase of approximately \$0.44 million or 9.1% over adopted FY 2024 costs, due mainly to a projected 10.1% increase in water and wastewater flows for FY 2025 compared to adopted FY 2024.

The District's water reclamation operations utilize a service to pick up, transport and dispose of the remaining byproduct (a cake-like material leftover from the wastewater treatment process) from plant locations to a landfill daily. The vendor who has provided these services to the District has been under contract for approximately four years and with subsequent annual price adjustments. The current contract expires in early FY 2025 and the District must "go out to bid" for these services. The FY 2025 budget includes an 18.0% price increase from FY 2024 costs based on inflationary pressures for labor / fuel and landfill dumping fees. This projected price increase, along with an overall 16.1% increase in wastewater flows compared to adopted FY 2024, yields an overall cost increase of \$0.39 million (24.7%) for FY 2025.

In FY 2023, the District began participating in a vehicle leasing program with a national leasing company. By leasing vehicles, the District projected overall savings on maintenance expense and on the overall cost of ownership of its fleet. Rather than annually funding the Vehicle / Equipment Replacement Reserve with contributions for the future purchase of vehicles when their replacement was scheduled, vehicle lease payments would be included as a revenue requirement under the Vehicle Expense category. However, it was cheaper to purchase the District's vehicles since they are maintained so well and are kept longer than the usual two-to-three-year lease period. Therefore, in April 2024, the District decided to cancel this lease program and return to its prior funding methodology of funding the purchase of new vehicles from rates for the replacement of its vehicles at the end of their service life. For FY 2025, total Vehicle Expense is projected to decrease by \$0.22 million (-63.7%) compared to adopted FY 2024. Contributions to the Vehicle / Equipment Replacement Reserve, however, increased by \$0.58 million (322.2%) to have sufficient funds available to replace the new vehicles that were purchased from the leasing company. This increase is shown under the Transfers Out table below.

The annual budget for the purchase of Capital Furniture and Equipment varies from year to year depending on the condition and maintenance costs incurred regarding the replacement of pumps, motors, vehicles, heavy equipment, etc. For FY 2025, the Capital Furniture and Equipment > \$5,000 increases approximately \$0.56 million (81.5%) for the upgrade and replacement of depreciable items such as the District's phone system (\$100,000 in the Information Technology budget), purchase of a new Telehandler to move sludge boxes (\$90,000 in the Northeast Regional Water Reclamation System – Doe Branch Plant budget), and the replacement of Raw Water Intake #1 Pump and Motor (\$365,000 in the Regional Treated Water System budget).

Each year, 95.0% of the Administration Fund's expenses are allocated to the District operating and capital improvement budgets, while 5.0% of the total expenses are held within this fund. For FY 2025, to more closely budget the allocation of the 95.0% of the Administration Fund's expenses between operating budgets and capital budgets with actual results from prior years, 20.0% of this 95.0% amount is applied to all operating budgets (based proportionately on direct operating expenses between the operating systems / funds), while 80.0% of this 95.0% amount is allocated to the District's capital budgets. Such an allocation percentage better represents the Administration's true efforts toward construction and capital planning. This results in less Administration Fund expense being allocated to operating budgets than in prior years to better align these allocated expenses with prior year actual results.

For additional information on the District's operating budget, refer to the Operating Fund Detail section of this budget document.

DEBT SERVICE AND RELATED EXPENSES

Each of the District's core businesses have outstanding bond debt issues that were previously issued to construct necessary plant and pipeline infrastructure. Since the District is supported through rates and charges / fees revenues, each Operating System's revenues are pledged separately for the repayment of each System's debt issues. Total FY 2025 Debt Service for the District is \$49.39 million, an increase of \$10.19 million (26.0%) from FY 2024.

A summary of the FY 2025 UTRWD debt service requirements (by type of funding), as well as total variable rate financing expense (interest and associated fees) are provided in the following table.

Debt Service and Related Expenses	\$ in Millions			
	FY 2024 Budget	FY 2025 Budget	\$ Change	% Change
Senior Lien Debt Expense				
Revenue / Refunding Bonds	\$ 28.73	\$ 36.17	\$ 7.44	25.9%
TWDB "D" Funds	1.96	2.10	0.14	7.1%
Subsidized Interest Bonds	2.14	2.14	-	0.0%
SWIRFT Deferred Bonds	1.56	1.95	0.39	25.0%
Total Senior Lien Debt Expense	\$ 34.39	\$ 42.36	\$ 7.97	23.2%
Junior Lien Debt Expense				
Board Participation Bonds	\$ 1.31	\$ 2.40	\$ 1.09	83.2%
State Participation Bonds	0.22	0.22	-	0.0%
Variable Rate Financing Expense	3.23	4.35	1.12	34.7%
Total Junior Lien Debt Expense	\$ 4.76	\$ 6.97	\$ 2.21	46.4%
Fiscal Agent Fees	\$ 0.05	\$ 0.06	0.01	20.0%
Total	\$ 39.20	\$ 49.39	\$ 10.19	26.0%

Overall, District Revenue Bond debt service increased \$7.44 million (25.9%) from FY 2024 due to converting \$138.00 million (\$65.00 million closed at the end of August 2024 with a FY 2025 debt service payment of \$4.07 million and a projected 73.00 million by mid-FY 2025 with a projected debt service payment of \$2.67 million) in the Regional Treated Water System (RTWS). The adopted FY 2024 budget included a projected \$55.00 million refunding of outstanding Variable Rate Debt into long-term debt with a debt service payment of \$1.97 million. However, this refunding was delayed until later in FY 2024 with no debt service due for the fiscal year. The net effect of postponing the \$55.00 million refunding and increasing the refunding by another \$10.00 million, yields an increase for this debt issue of \$2.10 million from FY 2024 to FY 2025. In addition, the debt service for the Series 2023 Refunding Bonds to convert 30.0 million of outstanding Variable Rate debt to long-term debt decreased approximately \$0.33 million from FY 2024 to FY 2025.

Revenue Bond debt service also increased by approximately \$3.00 million in the Northeast Regional Water Reclamation System (NERWRS) due to the first principal and interest payments of \$0.79 million coming

due in FY 2025 for the Series 2022 bonds issued for the Riverbend Plant West Influent Lift Station Improvements and Doe Branch Plant Expansion, Phase 3 projects. These bonds included two years of capitalized interest for FY 2023 and FY 2024. Additionally, there is a FY 2025 debt service payment of \$1.39 million interest only payment for the Series 2024 (issued June 2024) on behalf of the City of Celina for their additional subscribed capacity in the Doe Branch Plant, Phase 3 expansion (from 4.0 to 12.0 MGD) and Parallel Interceptor, Phase 1 projects. This large capital improvement project is being shared between the Town of Prosper and the City of Celina with Prosper cash funding their share of project costs, while Celina will be utilizing debt financing. An estimated debt service amount (principal and interest) of \$0.82 million is included for FY 2025 for second tranche of bond funding to finance the Riverbend West Lift Station Improvements project. This project will be utilized for the Mustang Special Utility District and Provide Village wastewater flows that are delivered to the Riverbend Plant.

Additionally, RTWS Board Participation debt service increased by \$1.09 million for FY 2025 due to the inclined interest-only debt service increasing for the Series 2015, 2019, and 2021 Board Participation Loans from the Texas Water Development Board (TWDB) issued for the continued construction of the Lake Ralph Hall project and from the Series 2021 Board Participation loan for the Harpool Northeast Transmission Pipeline, Phases 1 and 2. FY 2025 debt service for the Series 2015 TWDB State Water Implementation Revenue Fund of Texas Loan (or SWIRFT) issued for engineering and planning for the Lake Ralph Hall project increased approximately \$0.40 million due to an increase in the principal payment for FY 2025.

Interest and fees related to the use of RTWS Variable Rate Financing funds increased for FY 2025 by \$1.12 million due to an increase in the use of this financing tool as the District's Capital Improvement Budget has increased, but also for the additional \$25.00 million increase to the RTWS's authorized credit line from \$100.00 to \$125.00 million. An interest rate of 4.45% is projected for FY 2025 for Variable Rate financing, representing a slight decrease from 4.75% used for FY 2024.

For additional information on the District's debt issues, refer to the Debt Summary section of this budget document.

TRANSFERS OUT

The Board of Directors continues to be diligent in funding the District's various Internal Reserve Funds. Each of the District's core businesses have internal reserve funds into which contributions are made from operating revenues (rates) to fund various programs, replacement of vehicles / equipment and District infrastructure, deposits of loan payments for prior year loans, and deposits from excess working capital. Additionally, funds are occasionally transferred out of these reserve funds to the operating systems in lieu of a rate requirement (Transfers In).

The following table represents District-wide Transfers Out for FY 2024 and FY 2025:

Transfers Out	\$ in Millions			
	FY 2024	FY 2025		
	Budget	Budget	\$ Change	% Change
To Internal Reserves				
O&M Reserve	\$ 0.18	\$ 0.11	\$ (0.07)	(38.9%)
Capital Replacement Reserve	2.16	2.37	0.21	9.7%
Watershed Protection Reserve	0.30	0.33	0.03	10.0%
Water Conservation Reserve	0.30	0.33	0.03	10.0%
Future Water Reserve	0.30	0.33	0.03	10.0%
Non-Bond Capital Reserve	0.46	0.34	(0.12)	(26.1%)
Raw Water Holding Pond Dredging Reserve	0.15	0.16	0.01	6.7%
Plant Permitting Reserve	0.04	0.04	-	0.0%
Vehicle and Equipment Replacement Rsrv.	0.18	0.76	0.58	322.2%
To Other Systems				
Administration (Customer Rate Surcharge)	0.16	0.16	-	0.0%
Internal Loans / Shared Debt Service Payments	0.22	0.06	(0.16)	(72.7%)
Total	\$ 4.45	\$ 4.99	\$ 0.54	12.1%

Overall, District Transfers Out increased \$0.54 million (12.1%) from FY 2024 due to funding the O&M Reserves (per Operating System) at mid-year 2024 with excess working capital gained through higher than projected water and wastewater flows (sales) from FY 2023 operations. By funding these reserves from excess working capital, less revenue was needed to make these contributions from rates in FY 2025. This contribution amount decreased approximately \$0.07 million (-38.9%) for FY 2025. The District has five Operating Systems (Funds) that each utilize an O&M Reserve. This reserve is required to have a balance equal to 25.0% of each Systems' total operating expenses (excluding debt service and certain contributions to other reserve funds). Funds previously deposited to this reserve can be drawn upon (with Board authorization) to offset certain one-time and / or emergency expenses during the fiscal year or planned for an upcoming fiscal year.

The following information reflects the FY 2025 contribution amounts (by Operating System), as well as the funding percentage level (at a minimum) of the District's O&M Reserves:

Operating System (Fund)	Contribution Amount	Funding Level
Regional Treated Water System	\$0.00 million	100.0%
Lakeview Regional Treated Water System	\$0.00 million	100.0%
Northeast Regional Treated Water System	\$0.11 million	100.0%
Peninsula Water Reclamation Plant	\$0.00 million	100.0%
Non-Potable Water System	\$0.00 million	100.0%

FY 2025 contributions to the Capital Replacement Reserve is projected to increase by \$0.21 million (9.7%) based on increases to all water and wastewater flows (excluding the Non-Potable Water System) for FY 2025 by 5.47 MGD (10.1%) and are determined based on a cents / 1,000 gallons of flows treated, or treated water delivered. These contribution rates were unchanged from FY 2024 in each operating system, except for the Peninsula Water Reclamation Plant which was increased from \$0.05 to \$0.10 / 1,000 gallons of wastewater projected for FY 2025.

The largest variance in this category for FY 2025 is for contributions to the Vehicle and Equipment Replacement Reserve that was discussed above in the Operations and Maintenance section (\$0.76 million) which is an increase of \$0.56 million. Additional contributions are needed for this reserve to ensure that sufficient funding is available for the future replacement of lease vehicles purchased after the vehicle lease contract. Vehicle and Equipment Replacement Reserve funds were utilized to purchase all lease vehicles received for approximately \$1,700,050.

For additional information on the District's Transfers-Out to Internal Reserve Funds, refer to the Other Funds section of this budget document.

RATE CHANGES BY OPERATING SYSTEM

REGIONAL TREATED WATER SYSTEM

The following rates and charges are established to keep the overall blended rate increase for the Regional Treated Water System at 6.75% for FY 2025:

- The adopted Volume Rate for members is \$1.56 / 1,000 gallons (a 4.7% increase from the FY 2024 rate of \$1.49 / 1,000 gallons) and for customers is \$1.67 / 1,000 gallons (a 4.4% increase from the FY 2024 rate of \$1.60 / 1,000 gallons).
- The adopted Demand Charge increased to \$539,435 per MGD of contracted system capacity, a 7.9% increase over the FY 2024 charge of \$500,155 per MGD.
- The Flat Rate / Temporary Service Rate adopted by the Board is \$5.84 / 1,000 gallons, representing a 6.8% increase from the prior year rate of \$5.47 / 1,000 gallons.

FY 2025 total expenditures for the Regional Treated Water System reflect an overall increase of 14.8% (\$10.01 million) from the prior year total. Variable expenses increased approximately \$3.04 million from FY 2024, consisting of an 18.3% (\$2.15 million) increase for Dallas and Lake Chapman raw water, a 10.7% increase (\$0.32 million) for electricity, a 6.14% increase (\$0.24 million), and an 11.1% increase (\$0.36 million) for contributions to reserves based on the increase of flows (sales) from FY 2024 to FY 2025. These expenditures are recovered through the Volume Rate. Debt Service expense, recovered through the Demand Charge, is projected to increase 21.7% (\$7.03 million) from FY 2024 total debt service due to additional planned uses of the Variable Rate Financing program, additional bonds issued to convert outstanding variable rate financing to long-term debt, and from increasing debt service payment schedules from outstanding Board Participation debt issues. However, after revenue offsets to this increase from Interest Revenue (\$2.49 million) and transfers in from the Interest and Sinking Reserve (\$1.89 million), the Series 2000-A Bonds Reserve (\$0.12 million), Contract Payments (\$0.74 million), and the Board Participation Construction Cash Reserve (\$2.40 million), the net increase in debt service paid through the Demand Charge is approximately 10.5% (\$3.00 million) for FY 2025.

LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM

The following rates and charges (Treatment Rate, Excess Flow Surcharge, and Fixed O&M Charge only) are adopted to reflect an overall average rate increase of 2.5% for FY 2025:

- The adopted Treatment Rate is \$1.37 / 1,000 gallons (a 1.5% increase from the FY 2024 rate of \$1.35 / 1,000 gallons).
- The adopted Fixed O&M Charge is \$473,900 per MGD of contracted system capacity, representing a 3.4% increase from the FY 2023 charge of \$458,180 per MGD.

- Capital Charges for Joint / Individual Facilities are assessed to recover debt service costs associated with capital facilities for each individual system participant. The FY 2025 capital charges are based on the allocated debt service requirement for each entity's individual pipeline(s), as well as their portion of joint debt used to construct common-to-all facilities.

FY 2025 total expenditures for the Lakeview Regional Water Reclamation System reflect an overall increase of 1.6% (\$0.11 million), primarily due to a 19.1% projected increase (\$0.04 million) for Plant and Equipment Maintenance expense due to the age and condition of the Lakeview facilities, a 3.7% increase (\$0.02 million) for Biosolids Disposal services after projecting an 18.0% rate increase from the disposal vendor for FY 2025 (based off of year-to-date FY 2024 expenses, since the adopted FY 2024 budget was too high), a 20.7% increase (\$0.06 million) for chemicals used in the wastewater treatment process, and a 231.8% increase (\$0.09 million) for the contribution to the Vehicle and Equipment Replacement Reserve.

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM – RIVERBEND AND DOE BRANCH PLANTS

The following rates and charges (Treatment Rate and Fixed O&M Charge only) are adopted to reflect an overall average rate increase of 2.95% for FY 2025:

- The adopted Treatment Rate for members is \$1.44 / 1,000 gallons and \$1.55 / 1,000 gallons for customers (both were unchanged from FY 2024).
- The adopted Fixed O&M Charge is \$656,300 per MGD of contracted system capacity, representing a 5.9% increase from the FY 2024 charge of \$620,000 per MGD.
- An adopted Excess Flow Surcharge of \$0.56 / 1,000 gallons (a 55.6% increase from the FY 2024 surcharge of \$0.36 / 1,000 gallons) for any System participant whose monthly wastewater flows exceed their monthly contracted capacity in the System. All surcharge revenues are to be transferred to the System's O&M Reserve on a monthly basis.
- Capital Charges for Joint / Individual facilities are assessed to recover debt service costs associated with capital facilities for each customer. The FY 2025 capital charges are based on the allocated debt service requirement for each entity's individual pipeline(s), as well as their portion of joint debt used to construction common-to-all facilities.

FY 2025 total expenditures for the Northeast Regional Water Reclamation System (NERWRS) reflect an overall increase of 37.9% (\$4.48 million), due primarily to new debt service payments from bonds issued for the construction of the Doe Branch Plant Expansion, Phase 3 and Parallel Interceptor, Phase 1 projects (Doe Branch) and the West Influent Lift Station Improvements (Riverbend) project. Debt Service for FY 2025 reflects a 74.9% increase (\$3.14 million) from FY 2024. Other significant increases for FY 2025 include a 15.5% increase (\$0.32 million) in Personnel Services expenses that include a full year of funding for three new wastewater operators (allocated between the NERWRS and Peninsula Plant) and 30.0% of a new Process Controls Analyst position that is shared between the District's operating systems, a 45.2% increase (\$0.34 million) for Biosolids Disposal services after projecting an approximate 18.0% rate increase (based on the FY 2024 year-to-date per 1,000 gallons cost) from the disposal vendor for FY 2025 combined with a 27.9% increase in projected wastewater flows, a 9.4% increase (\$0.11 million) in electricity costs, and a 9.7% increase (\$0.04 million) for chemicals used in the wastewater treatment process. Due to the continued growth in wastewater flows in the Northeast Regional Water Reclamation System, a large amount of maintenance and repair expenses were incurred in FY 2024. With the increase in wear and tear on the Northeast System's equipment, the Plant and Equipment Maintenance budget was increased from the FY 2024 adopted budget by 43.0% (\$0.17 million) for continued repair needs.

PENINSULA WATER RECLAMATION PLANT

The following rates and charges (Treatment Rate and Fixed O&M Charge only) are adopted to reflect a 0.00% overall average rate change from FY 2024:

- The adopted Treatment Rate for members is \$1.65 / 1,000 gallons and was unchanged from FY 2024.
- The adopted Fixed O&M Charge of \$702,200 per MGD of contracted system capacity and remains unchanged from FY 2024.
- Capital Charges for Joint facilities are assessed to recover debt service costs associated with capital facilities for Mustang Special Utility District (the only participant of the Peninsula Plant). The FY 2025 capital charge is based on the debt service requirement for the 2016 Revenue Bonds issued for the completion of the UV Disinfection System Improvement project.

FY 2025 total expenditures for the Peninsula Water Reclamation Plant reflect an overall decrease of \$0.01 million (-0.05%), due to a 5.7% increase (\$0.03 million) to Personnel Services expense for the allocated portion of a new Wastewater Operator III (full-year funded) position and 5.0% of a new Process Controls Analyst position (full-year funded). Biosolids Disposal expenses reflect a 12.7% increase (\$0.03 million) for FY 2025 after projecting an approximate 18.0% rate increase (based on the FY 2024 year-to-date per 1,000 gallons cost) from the disposal vendor, combined with an 8.3% increase in projected wastewater flows. Additionally, a 55.7% increase (\$0.05 million) for Plant and Equipment Maintenance expenses is projected for FY 2025 due to the large increase in treatment flows over the past three years. While there are significant increases to several operating expenses for FY 2025, total allocated expenses from Internal Service Funds (Administration / Information Technology and Maintenance) reflect a decrease of \$0.11 million (-31.9%). This decrease in allocated expenses for FY 2025, along with other expense increases, yields a decrease to overall total expenses for the Peninsula Plant.

ADMINISTRATION FUND

By Contract, each Member and Contract Utility pays for administration and planning costs of the District, generally according to population. The FY 2025 adopted per capita rate for populations up to 5,000 remains at \$0.435 per capita. For populations with 5,001 to 25,000, the rate remains at \$0.244 per capita. The final population category for over 25,000 remains at a rate of \$0.096 per capita. These administrative fees are unchanged from FY 2024 and have not increased since FY 2019 mainly due to continued population increases in the District's service areas over the past five years.

95.0% of the annual Administration Fund budget is allocated proportionately to the District's Operating and Capital Improvement Program budgets based on total operating and maintenance (O&M) expenses per System. 20.0% of the 95.0% allocation total is then budgeted to the District's operating systems, while the remaining 80.0% of this total is allocated to the Capital Improvement Program (CIP) budget. This is a change from the adopted FY 2024 budget which reflected 35.0% of Administration Fund expenses being allocated to the District's operating systems and 65.0% allocated to the CIP budget. As previously discussed, this allocation between operating and capital improvement budgets will more accurately resemble the allocation percentage from actual results in prior years.

While the Information Technology Division is part of the Administration Fund, its budget is shown separately for tracking purposes. However, its total expenses are then allocated 100.0% back to the

Administration Fund for further allocation (95.0%) to the District's operating and capital improvement program budgets.

The FY 2025 Administration budget includes a transfer of \$100,000 from the Regional Treated Water System and \$60,000 from the Northeast Regional Water Reclamation System that is generated by the Customer Rate surcharge to offset administration services provided to non-members (customers) of these two systems. Other Revenues include rebates received from the District's procurement card (credit card) program. In addition, Rental revenue captures income from the rental property at 802 N. Kealy and is reallocated to operating funds to offset total allocated debt for the purchase of the building.

Total FY 2025 expenditures (before allocation to Operating Funds and CIP) reflect an overall 3.3% (\$0.22 million) increase from the adopted FY 2024 budget and include a 5.1% (\$0.17 million) increase to Personnel Service expense due to adjusting the amount of time spent performing administrative functions compared to other functions and by allocating 10.0% of a new Project Engineer position that is included for FY 2025 in the Administration Fund. In addition, Other Outside Services expense reflects a \$0.09 million (-75.5%) decrease due the completion of a compensation study for the District in FY 2024. Vehicle expense reflects a decrease of \$0.07 million (-72.7%) due to ending the leasing contract for District vehicles with Enterprise Leasing, and Equipment and Furniture greater or equal to \$5,000 expense decreases \$0.09 million (-100.0%) due to receiving no budget requests for FY 2025. These items, along with the 15.2% (\$0.29 million) increase in the Information Technology budget for FY 2025, represent most of the approximate \$0.22 million increase for the Administration budget.

NON-POTABLE WATER SYSTEM

The following rates and charges are established that reflect an overall average rate impact at 1.40% for FY 2025:

- The adopted Treated Effluent Water Rate is \$0.53 / 1,000 gallons (a 3.9% increase from the FY 2024 rate of \$0.51 / 1,000 gallons).
- The adopted Raw Water Rate is \$1.27 / 1,000 gallons (a 7.6% increase from the FY 2024 rate of \$1.18 / 1,000 gallons).
- The adopted Demand Charge of \$125,000 per MGD of contracted system capacity and is unchanged from FY 2024.

FY 2025 total expenditures for the Non-Potable Water System (NPWS) reflect an overall decrease of \$8,575 (-4.7%) from FY 2024. Raw Water flows were kept at the same level as FY 2024, however, due to continued decreasing amounts of Treated Effluent Water by the System's only participant, City of Lewisville – Castle Hills Community, FY 2025 Treated Effluent flows were decreased by 0.0472 MGD (-13.0%), which in turn, decreases the amount of Treated Effluent Water that the District must purchase to supply the Castle Hills Community. While there was a 6.0% rate increase from Dallas Water Utilities for Treated Effluent Water, total Treated Effluent Water expense decreased \$4,455 (-7.8%). This decrease, coupled with a \$4,200 decrease (-17.1%) for total allocated expenses from Internal Service Funds (Administration / Information Technology and Maintenance), yields a decrease to overall FY 2025 total expenses for the Non-Potable Water System.

HOUSEHOLD HAZARDOUS WASTE FUND

The FY 2025 adopted Collection and Disposal rate of \$132.00 per household and the individual voucher rate of \$110.00 per household remain unchanged from FY 2024, since the Landfill Disposal Fee charged

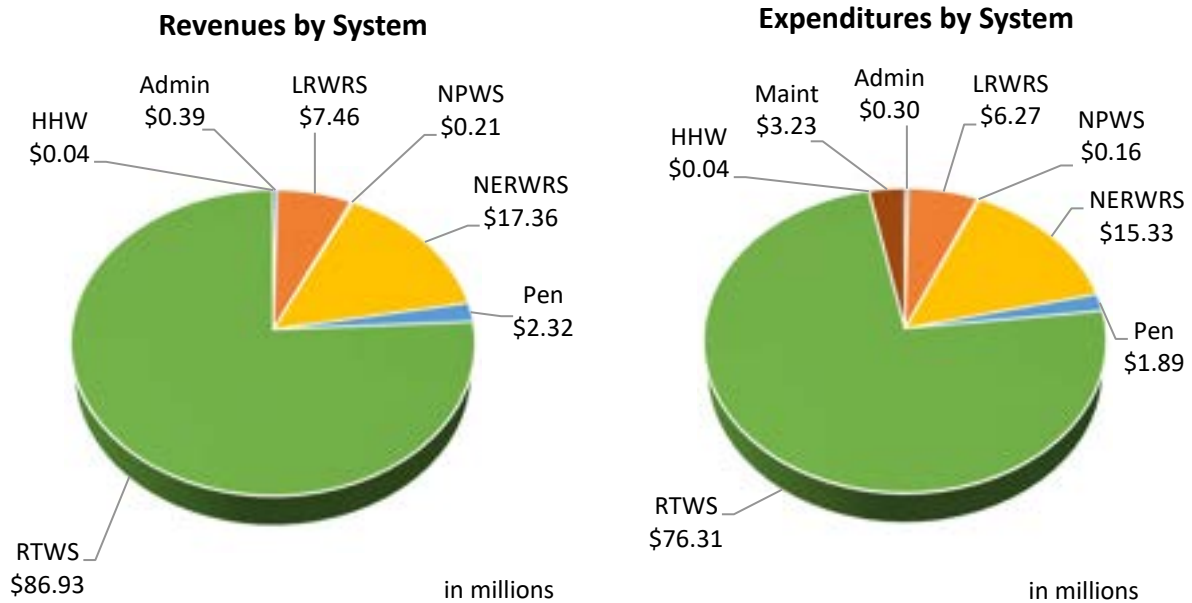
by the City of Fort Worth of \$95.00 for each household participating through an event held by the District and per voucher sold by the District, remains unchanged from FY 2024. The District’s program has been providing this service on an interim basis until cities begin hosting their own programs, generally through their solid waste providers. This initiative has been very successful in keeping pollution out of the District’s watershed sources.

MAINTENANCE FUND

This fund is allocated to operating funds as follows and is based on work order distribution: Regional Treated Water System – 46.5%, Lakeview Regional Water Reclamation System – 16.0%, Northeast Regional Water Reclamation System (Riverbend and Doe Branch Plants) – 29.5%, Peninsula Water Reclamation Plant – 5.5%, Non-Potable Water System – 0.5%, and Administration – 2.0%.

FY 2025 total expenditures reflect a decrease of \$0.05 million (-1.6%) from the FY 2024 adopted budget. Personnel Services expenses reflect a 1.8% (\$0.05 million) increase due to including a full year of cost for a new Maintenance Worker position and Electrician II position. However, within the Personnel Services expense category is Employee Insurance that includes Medical Insurance. The projected Medical Insurance expense reflects a decrease of \$0.13 million (-17.6%) and was decreased to an amount that was more in line with prior actual results but includes projected health insurance cost for each of the two new positions for the FY 2025 budget. Vehicle expense reflects a decrease of \$0.23 million (-65.5%) due to the cancellation of a lease agreement for District vehicles. Finally, Equipment and Furniture greater than or equal to \$5,000, reflects a 117.8% (\$0.14 million) increase from FY 2024 due to the purchase of depreciable assets such as a new concrete saw, a new vehicle for the new Electrician II position and another vehicle for the new Process Controls Analyst position for Operations.

The following graph reflects each fund’s impact related to the District’s total operating budget by business segment:



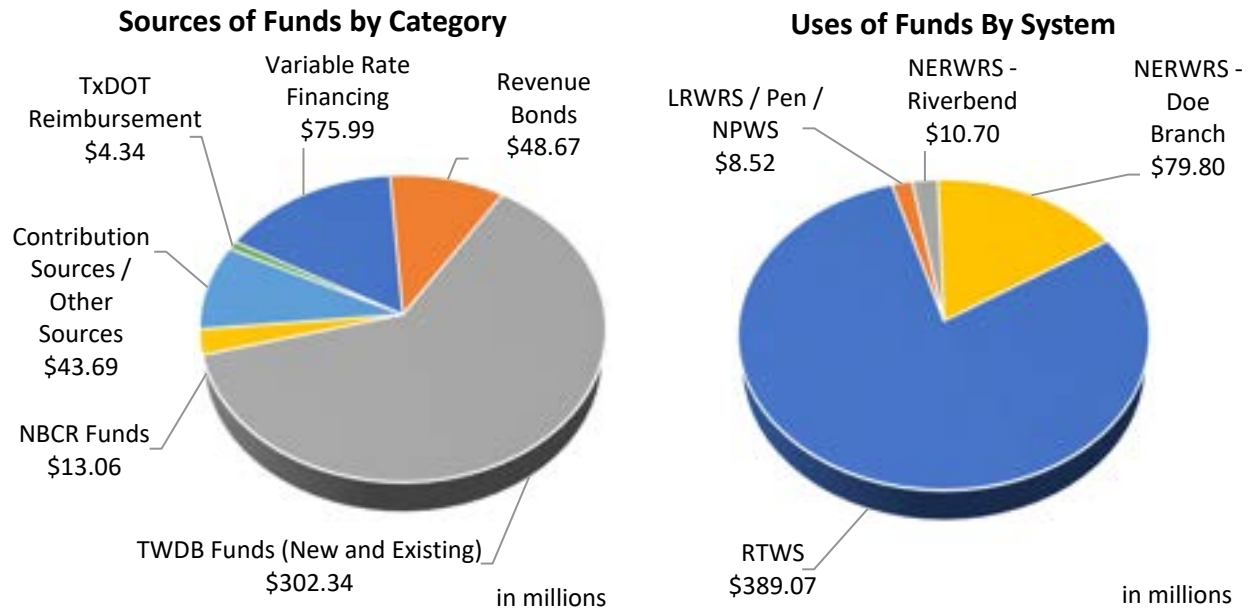
CAPITAL IMPROVEMENT PROGRAM (CIP) HIGHLIGHTS

The FY 2025 Capital Improvement Program totals \$488,085,920, an overall increase of 29.9% from the FY 2023 budget total of \$375,683,620. Planned projects include:

- Continued design, engineering, and construction of a ground storage tank and pump station, for the Southwest Pump Station, Phase 1 project.
- Continued construction of various segments (dam, pump station, raw water pipelines, mitigation, cultural resources activities, support facilities, etc.) of the Lake Ralph Hall project.
- Continued design, engineering, and construction of multi-year projects to upgrade and improve components of the Regional Treated Water System such as modifying / installing additional pumps, completing electrical component upgrades, and optimizing the treatment process.
- Continued design, engineering, and construction activities to expand the treatment capacity of the Thomas E. Taylor Regional Treated Water Plant from 70.0 to 85.0 MGD.
- Continued design , engineering, and construction for a new membrane complex, increased site and plant piping, advanced treatment equipment, a new finished water pump station, clear wells, chemical and disinfection facilities, a recovery pond, and other on the Phase 2 expansion of treatment capacity at the Tom Harpool Regional Treated Water Plant from 30.0 to 60.0 MGD.
- Continue with design, engineering and construction of a 36-inch diameter treated water transmission pipeline extending northeast from the Harpool Regional Water Treatment Plant to serve the Town of Celina, Artesia Community, and other customers under the Northeast Transmission Pipeline, Phases 1 and 2 project.
- Continue with design, engineering and easement acquisition to construct a treated water pipeline to extend water service to the Town of Aubrey and other surrounding members / customer entities under the Northeast Transmission Pipeline, Phase 3 project.
- Continued design and engineering to begin construction on the Phase 3 expansion of treatment capacity at the Lakeview Regional Water Reclamation Plant from 5.5 to 7.5 MGD.
- Continue design, engineering, and construction activities to replace the existing lift station at the Riverbend Regional Water Reclamation Plant to provide system reliability for the transfer of increased wastewater flows from the Northeast Water Reclamation System service area to the Riverbend Plant.
- Continued preliminary design and engineering to begin construction on the Phase 3 expansion of treatment capacity at the Doe Branch Regional Water Reclamation Plant from 4.0 to 12.0 MGD.
- Continued design, engineering and construction of a parallel interceptor to provide additional capacity for increasing wastewater flows to be delivered to the Doe Branch Plant.
- Begin the Peninsula Plant Clarifier Rehabilitation project to include vital improvements to the influent pipes, scum baffles, effluent launders, and sludge rakes for more reliable and efficient processing of solids from treated wastewater flows.

The District's CIP budget increase of \$112.40 million from FY 2024 is due to the tremendous growth in all operating systems. The largest increase from FY 2024 is in the Regional Treated Water System (\$84.07 million) due to having both treatment plants under expansion to higher treatment capacities to serve its growing service areas. Additionally, there are several transmission pipelines under construction that will extend the Regional Treated Water System farther east and north, therefore expanding the member / customer base of the System. FY 2025 funding for the District's largest project, Lake Ralph Hall, increased approximately \$43.43 million (22.1%) which is on track to be providing raw water to the District by late FY 2026.

In the Northeast Regional Water Reclamation System’s services areas served by the Riverbend and Doe Branch Water Reclamation Plants, approximately \$10.69 million is included for FY 2025 to continue with the construction of a West Influent Lift Station (with Dewatering Improvements) to serve the Riverbend Plant. Additionally, \$76.64 million is included (an increase of \$26.64 million from FY 2024) to continue the expansion of the Doe Branch Water Reclamation Plant from 4.0 to 12.0 MGD and a new parallel pipeline to transport wastewater flows from an ever-growing service area that includes Celina and Prosper that have been growing exponentially over the past several years.



For additional information on the District’s capital improvement budget, refer to the CIP Funds section of this budget document.

BUDGET PROCESS

The Upper Trinity Regional Water District develops the budget pursuant to the Texas Water Code, which requires “a District that provides wholesale potable water and wastewater services shall adopt a program that provides such wholesale customers an opportunity to review and comment on the District's annual budget that applies to their services before that budget is adopted by the Board.”

DEVELOPMENT

A Budget kick-off meeting is held in February to start the development process. Next, all budget forms with instructions are emailed to Superintendents, Managers and Directors by Budget staff which outlines the budget request process. Budget requests are submitted in two forms – basic and supplemental. The basic request is for funding to maintain the current level of operations, while the supplemental request is for new personnel, services, or items that will expand or improve operations. Concurrent tasks are cost of services studies that will assist in establishing rates, fees, and charges, as well as a review of Capital Improvement Projects (CIP) with the Engineering and Executive Staff.

PRELIMINARY RATES, FEES, AND CHARGES

Upon approval of the budget request forms by the respective Director and review of the cost of services studies, the formulation of the preliminary operating budget begins. After review by the Executive Director, they are then presented to the Rate Committee and the Board of Directors at its regularly scheduled meeting in June. On or before June 15, preliminary rates, fees, and charges for the next fiscal year are sent to all Members and Customers.

PRELIMINARY OPERATING AND CAPITAL BUDGETS

Modifications to the preliminary rates, fees and charges are revised by the Budget staff and the preliminary operating budget is then presented to the Board at its July meeting.

In August, the preliminary capital improvement budget is also presented to the Board. After its review, and the finalizing of cost of services studies, the revised preliminary operating and capital improvement budgets are sent to all District Members and Customers not less than 40 days before the commencement of the new fiscal year.

PROPOSED BUDGET

After sending out the revised preliminary budget, the Budget staff begins finalizing the proposed operating and capital improvement budgets. During this time, any changes in estimated costs are analyzed, and, if necessary, rates are adjusted accordingly. In September, the proposed budgets and rates and charges are presented to the Board for review and adoption.

Any Operating or Capital Budget amendments require approval by the District's Board of Directors. When these are required, a “Budget Amendment” form is completed reflecting the reason, amount, and the fund, department, and account number for the revenue or expenditure. This form is included in the board packet sent to the Board member before a Board meeting and is voted on under the “Items for Individual Consideration” on the Board meeting agenda.

MID-YEAR BUDGET AMENDMENT

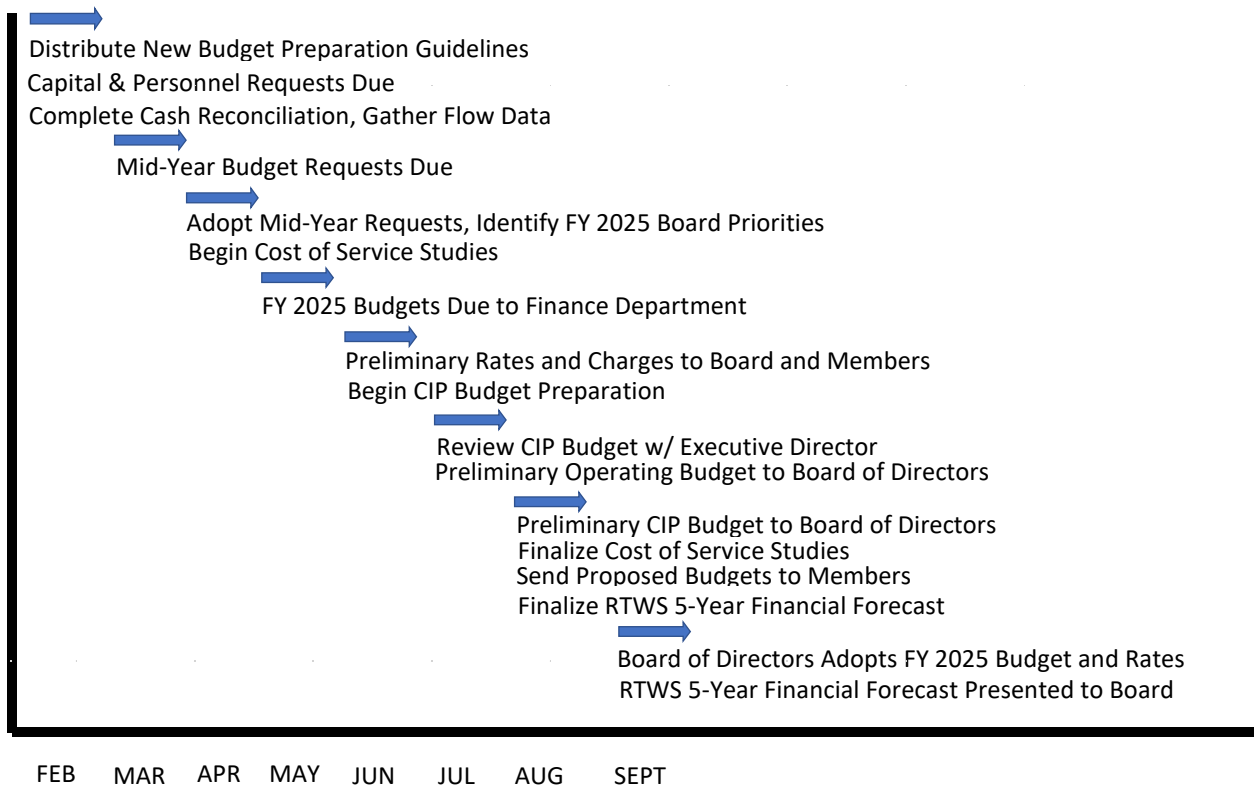
Modifications to the operating and capital improvement budgets are made primarily during the mid-year budget process. This process begins with meetings of the Operations and Engineering Departments to assess any changes that should be made in the budgets to accommodate changes in revenues and expenses for the remainder of the fiscal year. Mid-year budget amendments are then put together by the Budget Office for consideration. After review of the proposed mid-year budgets with the Executive Director in March, it is presented to the Board in April for review and adoption.

BUDGET CALENDAR

Mid-January	Distribute budget calendar
January	Budget Preparation Manual and instructions are prepared for Superintendents, Managers and Directors
Mid-February	Kick-off meeting for FY 2024 mid-year budget and FY 2025 budget; distribute Budget Preparation Manual
Late-February	Send out flow data request survey to members / customers Complete Beginning Cash Reconciliation Updates to Departmental Mission Statements, Goals and Objectives due to Business Services
Early March	FY 2024 mid-year budget requests due to Business Services FY 2025 new personnel requests due to Human Resources FY 2025 capital purchase requests due to Purchasing to assist in developing cost estimates FY 2025 Information Technology requests due
Mid-March	FY 2024 mid-year CIP meeting with Engineering Department FY 2024 mid-year budget salary and benefits forecast
Late March	Review proposed FY 2024 mid-year budget requests with Executive Director Complete FY 2024 mid-year budget amendments and resolution Receive flow data surveys
Early April	Adopt FY 2024 mid-year budget amendments and discuss FY 2025 budget priorities
Mid-April	FY 2025 budget request forms due to Directors Begin FY 2025 CIP review with Engineering Department FY 2025 budget request forms due to Business Services FY 2025 budget salary and benefit forecast
Mid-May	Review FY 2025 preliminary operating budget and rates with Executive Director Present preliminary rates to Rates and Charges Committee
Early June	Present preliminary rates, fees, and charges to Board of Directors

Mid-June	Send preliminary rates, fees, and charges to members / customers Complete cost of services studies based on modifications to FY 2025 preliminary operating budget
Early July	Second review of FY 2025 preliminary operating budget with Executive Director FY 2025 preliminary operating budget presented to Board of Directors
Mid-July	Finalize FY 2025 – 2029 CIP budget Review preliminary CIP budget with Executive Director
Early August	Present preliminary CIP budget to Board of Directors
Mid-August	Finalize cost of services studies Send revised FY 2025 preliminary operating and capital budgets to members / customers Final review of FY 2025 proposed operating and capital budgets and rate, fees, and charges with Executive Director Finalize RTWS 5-Year Financial Forecast
September	Present FY 2025 proposed operating and capital budgets and rate resolutions to Board of Directors for adoption RTWS 5-Year Financial Forecast Presented to Board of Directors

BUDGET PREPARATION TIMELINE



FINANCIAL POLICIES AND STRATEGIES

The Upper Trinity Regional Water District’s financial policies, summarized below, set forth a basic framework for the overall fiscal management of the District. These policies provide guidelines to assist management in evaluating current activities and proposals for future programs. They direct attention to overall financial condition, rather than a narrow focus on single issues. In addition, these policies continue to demonstrate the District’s compliance with applicable Bond Covenants.

These policies represent long-standing principles, traditions, and practices that have guided the District in the past and have continued to create financial stability for the District since its inception in 1989. Additionally, District management strives to review these policies annually.

REVENUE POLICIES

The District establishes rates and charges based on a cost recovery methodology for providing services, as well as the capital expenditures required to construct facilities to provide those services, to its contracted users. These rates and charges are established at levels that will yield adequate Net Revenues to sufficiently meet reserve and debt requirements.

- All adopted FY 2025 budgets are projected to yield an increase in ending cash.

District Fund	Increase in Ending Cash
Administration Fund	\$27,005
Lakeview Regional Water Reclamation System	\$678,445
Non-Potable Water System	\$38,785
Northeast Regional Water Reclamation System	\$1,070,500
Peninsula Water Reclamation Plant	\$253,345
Regional Treated Water System	\$9,109,400
Household Hazardous Waste	\$870

The District addresses its use of one-time and / or unpredictable revenues by amending its long-range financial planning instrument (cash flow model) to include these revenues. The District avoids use of these types of revenues for ongoing expenditures.

The District strives for complete and timely collection of all revenues due from its users to ensure adequate cash flow for its operational expenditures. The District consistently has a 100.0% collection rate with an average aging period for accounts receivable of approximately 30 days.

INVESTMENT POLICIES

The investment of District funds emphasizes the importance of capital preservation in its overall portfolio and invests in accordance with the Public Funds Investment Act (PFIA).

Investment decisions are made to allow for the highest rate of return on the portfolio within the District's safety and liquidity objectives. In addition, the District's portfolio should be structured in such a manner as to avoid unreasonable risk regarding specific securities or financial institutions. Based on the District's investment report for the quarter ending September 30, 2024, the weighted average yield to maturity for the District's investments was 4.653% with an investment mix of Local Government Investment Pools and Bank Deposits. In addition, 13% of the District's investments are collateralized and 87% are invested in TexPool, which is rated AAA by Standard & Poor's.

Cash balances are maintained to allow for adequate liquidity of funds to meet the District's projected operating and capital requirements to ensure timely satisfaction of financial obligations.

The District will be in conformance with federal, state, and other legal requirements.

OPERATING BUDGET POLICIES

BUDGETARY BASIS

The District uses the cash basis of budgeting for all fund types. Under the cash basis of budgeting, transactions are recognized only when cash changes hands. Encumbrances and depreciation are not budgeted. District expenses may not exceed the amounts appropriated.

The District adopts an annual balanced budget with revenues that are equal to or greater than its expenditures and debt service requirements. This annual budget document includes operating revenue and expenditure totals, changes to ending working capital balances, and footnotes that discuss situations where reserve balances are drawn down due to a structural imbalance (total operating revenues do not adequately cover total operating expenditures).

District management (including Operations and Human Resources) annually review all approved positions to determine adequate staffing levels in each department with current positions.

ACCOUNTING BASIS

The proprietary fund is accounted for on a cost of services or "economic resources" measurement focus, using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

BUDGETARY BASIS VS. ACCOUNTING BASIS

The basis of budgeting differs from the basis of accounting by the timing of the recognition of revenues and expenditures. The budget assumes that all revenues and expenditures, as well as the associated cash, will be expended or received during the budget period. Conversely, the basis of accounting only recognizes revenues when measurable and available, and expenditures when incurred. Cash is not necessarily received or expended at the same time.

EXPENSE POLICY

The District procures all goods and services in accordance with the Purchasing Policy adopted by the District's Board of Directors. The procedures outlined in this policy follow the requirements set forth in Title 4, Chapter 49 and 54 of the Texas Water Code, and Chapter 271 of the Texas Local Government Code, as they apply.

WORKING CAPITAL POLICIES

Upon completion of audited year-end financial statements, when actual net revenues have been confirmed, net funds available for working capital and other discretionary purposes will be determined. Each year, at mid-year, the current year's beginning cash (operating / working capital) will be adjusted accordingly. The Working Capital Requirement for each enterprise fund shall be determined based on 45 days of annual Operating and Maintenance (O&M) costs (including Debt Service), plus up to a 5.0% contingency for variable conditions.

Upon receipt of year-end results, operating surplus funds that exceed established Working Capital Requirements can be used for the following purposes in priority order subject to Board approval:

- Replenish Debt Service Reserve funds if necessary.
- Replenish any other related fund or reserve to meet target levels or goal.
- Subject to Board approval, any remaining surplus may be transferred to the Non-Bond Capital Reserve to be used for funding capital improvement projects, urgent repairs, purchase of heavy maintenance items, or rate stabilization.

INTERFUND LOAN POLICIES

The District has historically utilized Non-Bond Capital Reserve Fund and Working Capital, along with other available reserves as a source of "Internal Loans", if needed in each of the operating funds. This has been used for "bridge" financing for larger projects before the System was able to obtain other types of long-term financing. These Interfund Loans are typically from one District enterprise fund (System) to another District enterprise fund (System) for a capital improvement purpose that will be repaid by the receiving fund along with interest as appropriate. Loans can also be made to a specific entity on a case-by-case basis. The purpose of this policy is to formally establish acceptable procedures to properly define, document, and refund Interfund Loans.

Other provisions for Interfund Loans include:

- Approval by the Board of Directors prior to the implementation of the loan.
- An interest rate of Texpool plus 25 basis points for Interfund Loans having a maturity of less than one year. For those loans having a term longer than one year, the interest rate would adjust each budget year to reflect any increase in the Texpool rate.
- A requirement for approved loans which benefit only one member with a maturity of more than one year, would be considered on a case-by-case basis with interest rates set at a fixed rate over the period of the loan.
- A term of five years or less, unless specifically approved by the Board of Directors.
- An annual monitoring requirement to ensure appropriate payment is received. Additionally, during the budget development process, each Interfund Loan will be evaluated and programmed, as necessary for the next fiscal year.
- A requirement that any Interfund Loans made from Working Capital will not reduce an enterprise fund's working capital balance below the required threshold established in the Policy of Working Capital. Subject to Board approval, any remaining surplus may be used for direct capital investment via transfer to the Non-Bond Capital Reserve for funding capital improvement projects, for urgent repairs, or for necessary heavy maintenance items.

RESERVE AND FUND REQUIREMENT POLICIES

The District maintains an **Operating and Maintenance (O&M) Reserve** in most systems and makes annual deposits to this fund designed to equal 25.0% of annual operating and maintenance expenditures (not including debt service).

- Adopted FY 2025 budgets for the District's major systems having an O&M Reserve are all projected to have a minimum of 100.0% funding levels at the end of the fiscal year. These funding levels are shown in the Budget Overview section of this budget document.

Certain proceeds of the Enterprise Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants and agreements.

The Construction Cash Reserve is used to report those proceeds of revenue bond issuances that are restricted for use in construction.

The Interest and Sinking (I&S) Reserve is used to segregate resources accumulated for debt services payments over the period of construction.

The Debt Service Reserve is used to report resources set aside to make up potential future deficiencies in the Interest and Sinking Reserve fund and is equal to the average annual senior lien debt outstanding.

A **Capital Replacement Reserve** has been established in the District's Operating Systems (Funds) to accumulate resources for future replacement of capital assets (plants, pipelines, etc.).

A **Vehicle and Equipment Replacement Reserve** has been established to accumulate contributions to purchase District vehicles and equipment based on a replacement schedule (i.e., vehicles replaced every six years, heavy-duty trucks replaced every 8 years, and heavy equipment replaced every 8-15 years), or other criterion such as excessive maintenance expense.

A **Non-Bond Capital Reserve** has been established in District systems and funded with either excess working capital from a prior fiscal year's operating results, designated amounts to be established as a revenue requirement in the respective fund's operating budget, or repayment of prior uses from bond proceeds or loan repayments. These funds can be used for cash funding of certain capital improvement projects to reduce the District's heavy reliance on debt financing, as well as to be used as a source of "Internal Loans" as needed in each of the operating funds. This "bridge financing" has been used for several large projects, thus allowing Systems to be in a position of obtaining other types of long-term financing. Any projects utilizing Non-Bond Reserve funding shall be identified in the District's Capital Improvement Program Budget as being funded by "Non-Bond Funding Sources". Additionally, the Board may consider a budget amendment at any meeting to address the availability of equity funds or changes in need or conditions for capital funds.

A **Lake Ralph Hall Reserve** has been established to accumulate funds, at the discretion of the District's Board of Directors, as rate stabilization for future annual debt service payments from debt issues related to the construction of Lake Ralph Hall.

A **Lake Ralph Hall Reservoir Operating Reserve** has been established to accumulate funds, at the discretion of the District's Board of Directors, as a funding tool for the purchase of various assets to be used in the operation of Lake Ralph Hall, rather than using debt instruments to purchase these assets once the Lake has been placed into operation and open to the public.

A **Raw Water Holding Pond Dredging Reserve** has been established to accumulate funds for future dredging of the Regional Treated Water System's raw water holding ponds. Dredging is necessary every 6 - 8 years at the Harpool Plant holding pond and every 8 - 10 years for the Taylor Plant holding pond. Annual contributions per 1,000 gallons of flows treated will help provide funding for future holding pond dredging project expenditures so that these large and infrequent expenses do not cause large rate fluctuations.

For additional information regarding the District's Reserves, refer to the Other Reserves / Funds section of this budget document.

DEBT POLICIES

The District is empowered to use debt financing when it is appropriate and authorized by the Board of Directors.

The District finances capital improvements over a period not greater than the useful life of the improvement.

The District ensures that debt is soundly financed by conservatively projecting revenue sources utilized to pay the debt and, by Board of Director Resolution, establishing rates and charges to achieve a goal coverage ratio of 1.25 to 1.35 on all debt (Cash Basis Debt Coverage Ratio), but with a minimum of 1.15. Additionally, there is no specified debt limit established for the District. The Cash Basis Debt Coverage Ratio (CBDCR) and the Additional Bonds Test Coverage Ratio (ABTCR) are shown in the Debt Summary section for District Operating Systems with outstanding debt.

All outstanding revenue bonds will be secured by a pledge of the net revenues of the System benefiting from the borrowed capital.

The District utilizes a minimum present value parameter of 3.0% to 3.5% present value savings regarding the decision to refund any outstanding debt.

The District utilizes Variable Rate Financing in the Regional Treated Water System to match cash flow needs more accurately for capital improvement projects and to lower the District's cost of debt service in early years. In prior years, the District participated in a Commercial Paper program. Beginning in FY 2023, the District entered into a Direct Purchase Program. This program was phased out in FY 2024 so that the District could enter into a Variable Rate Financing agreement with another financial institution to increase its variable debt financing capacity from \$75.0 to \$100.0 million, with another increase from \$100.0 to \$125.0 million anticipated for FY 2025.

The District maintains good communication with bond rating agencies about its financial condition. Current bond ratings are shown in the Debt Summary section of this budget document.

The District publishes and distributes an official statement for each bond issuance, except for those occasions when bonds are sold by the Texas Water Development Board for proceeds loaned to the District as Board / State Participation loans.

VARIABLE RATE FINANCING REPLACEMENT POLICIES

The District uses variable rate financing as a strategy for interim financing of projects within the Regional Treated Water System. Furthermore, it is the District's policy that variable rate financing is used to finance a given project be converted to Revenue Bond financing prior to completion of the project, or as soon thereafter as deemed prudent by the Board, considering the District's financial condition, market conditions, and potential rate impact.

- The Adopted FY 2025 Budget includes a half year of debt service for a \$73.00 million conversion of outstanding Direct Purchase Notes to Revenue Bonds for late FY 2025. The FY 2025 blended rate increase for the Regional Treated Water System is 6.75% from FY 2024. Refer to the Debt Summary section of this budget document for additional information regarding the District's Variable Rate Financing balance for FY 2025.

FIXED ASSET POLICIES

The District addresses purchases, transfers, retirements, and internal controls of District assets by delineating between assets to be capitalized (equipment, furniture, office machinery, computer software, vehicles, and heavy equipment, having a service life of two or more years and having a cost of \$5,000 or greater) and those not requiring capitalization. Furthermore, departmental staff are assigned the responsibilities of control, transfer, disposition, and annual inventory of control assets (those valued at less than \$5,000). When control assets become impaired, damaged, or lost, each department is required to notify the Accounting Department via office memorandum or email.

LONG-RANGE PLANNING POLICIES

The District will be bold and visionary in its programs. It will also be conservative in its finances, maintain strong reserves, build equity on the balance sheet, and adhere to sound business and accounting practices.

- The District utilizes long-range financial planning and rate-setting models for water and wastewater systems operated by the District. The models contain detailed annual operating revenues and expenditures, debt levels and coverage, working capital balances, capital improvement program expenditures, etc., for the current budget period through FY 2029. The Five-Year financial forecast for the Regional Treated Water System is then presented to the Board of Directors. Similar rate forecasts have been developed for the District's wastewater systems as well. However, they have not been presented to the District's Board of Directors. These long-range planning models allow staff to include any known trends regarding certain revenue and expense categories, so that various scenarios can be developed, examined, and considered, when addressing the District's future financial condition. District staff (Engineering and Business) meet on a regular basis to review and adjust these cash flow rate models for a variety of factors, including but not limited to:

- Residential and commercial construction activity in the various parts of the District's service areas.
- Population growth trends received via feedback from our system participants, the North Central Texas Council of Governments, the Texas Water Development Board Region C Planning Group, and the United States Census Bureau.
- Projected construction projects to accommodate system participant needs, as well as replacement of current system infrastructure for aging and obsolescence.
- Changes to projected future financing sources and associated interest rates.
- Current and projected weather patterns that would affect the amount of water and wastewater flows.
 - Heavy rainfall and conversely, drought conditions, in the Regional Treated Water System service area affect the amount of projected sales (revenues) and associated amounts of raw water, treatment chemicals, and electricity, including wear and tear on infrastructure items for development of a treatment cost rate.
 - For the District's water reclamation systems, heavy rainfall has the opposite effect. As the amount of wastewater flows increase, higher treatment revenues are realized, but operating costs for treatment chemicals, sludge disposal / hauling, and electricity increase as well. Conversely, drought conditions decrease treatment revenues, and often increase treatment chemical costs due to less movement of flows creating stagnant conditions and odor problems in the system.
- Economic conditions such as oil and electricity market volatility, recessions, interest rate uncertainty, etc., also require District staff to adjust financial planning forecasts.

Other variables District staff incorporate into these planning tools include:

- Available funding.
- Financial Risk.
- Regulatory requirements.
- Level of services that can be sustained.
- Capital investment requirements.
- Future commitments and resource demands.
- Other variables that could cause a change in the level of revenue.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

An independent audit of the District's financial statements is performed annually.

The District produces annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB). In addition, the District's Annual Comprehensive Financial Report has consistently received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association.

The accounts of the District are organized into one Enterprise Fund with the operations of the fund being accounted for using a set of self-balancing accounts that comprise the operations that are financed and operated like private business enterprises. Therefore, these funds are accounted for on a cost of services or "economic resources" measurement focus, using the Accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

This is NOT the same as the basis (Cash) used to prepare the budget for the District's cash inflows (revenues) and outflows (expenses), which recognizes only those revenues when collected and expenses when paid by the District.

The District maintains a system of strong internal controls and amends its practices when weaknesses or deficiencies are detected.

DIRECT LABOR CHARGES AND ALLOCATION OF ADMINISTRATIVE OVERHEAD POLICIES

District policies are based on the fundamental principle that the allocation of costs for services and programs should avoid the creation of any undue subsidy between customers. This standard is particularly applicable for setting rates for services and programs and for individual projects that benefit one or more member entities (but not all). The District follows generally accepted practice for utility enterprises; and to the extent practical, costs are assigned to the party or parties that triggered the cost or receives the benefit. Therefore, Engineering and Construction costs (labor and benefits) are to be charged directly to the applicable project according to actual time recorded. In similar manner, each District enterprise system shall bear such costs according to actual time charged.

The cost of field engineering, construction, inspection, and project management shall be charged to the applicable project or system, according to actual time incurred.

Administration (overhead) expenditures include management and support staff salary and benefits, office expenses, general operating expenses (e.g., utilities, landscaping, etc.) and professional services. In FY 2021, the District established a separate Information Technology (IT) Fund that includes all IT personnel salaries and benefits, computer equipment and supplies for the District, professional services expense, and O&M expenses (vehicle expenses, fiber optics maintenance, and equipment and furniture purchases). 100.0% of Information Technology Fund expenses are then allocated to the Administration Fund. 5.0% of all Administration Fund expenses are kept within the Administration Fund with the remaining 95.0% proportionately allocated to District operations and the Capital Improvement Program (based on total expenses). From time to time, the Board of Directors reviews and adjusts the level of Fees for Administration and Planning to be paid by all members of the District as required to cover the 5.0% total of administrative expenses held in the fund.

For projects funded and owned by others, for which the District provides only coordination and inspection services, no administrative overhead will be allocated. However, direct labor and administration overhead allocation may be addressed separately in special provisions of a project participant's contract with the District.

CAPITAL BUDGET POLICIES

The District adopts a one-year budget, with subsequent changes made via individual budget amendments (completed as needed), as well as mid-year budget amendments (presented to the Board of Directors in April of each fiscal year). All budget amendments must be approved by the District's Board of Directors. Additionally, a 5-year Capital Improvement Program budget is developed and presented to the Board of Directors in September of each fiscal year. Informally, a 20-year Capital Improvement Program budget is developed for further planning purposes, but due to the risks involved with planning periods over 5 years, this is not presented to the Board but kept internally for District staff strategic planning purposes.

Regarding the District's physical assets, the District's Maintenance Division keeps records of the prior maintenance expenses and condition levels of District assets through the Computerized Maintenance Management System. This asset condition information is periodically communicated with Operating System superintendents to be used for future planning, to ensure that these financial needs are incorporated into the District's cash flow projections.

MISSION – VISION – GOALS

OUR MISSION

The Mission of the Upper Trinity Regional Water District is to plan, develop and manage water and wastewater services in the interest of its members, using consensus-based strategies that are environmentally and economically sound.

OUR VISION

Upper Trinity Regional Water District – It Works
A Regional Vision for our Communities

Since 1989, the members of Upper Trinity have shared a regional vision: by working together we can provide high quality services for our communities, services that are more cost effective and reliable than if each member acted alone.

TREATED (DRINKING WATER)

To ensure an adequate water supply for this region, Upper Trinity provides treated water service on a wholesale basis to 29 communities. Each local system then delivers the water to its many retail customers for residential, commercial, industrial, and municipal uses.

LONG RANGE WATER SUPPLY

The District secures its water entirely from surface water sources. Currently our sources are Lewisville, Ray Roberts, and Chapman (Cooper) Lakes. To ensure adequate and reliable water supplies for the next 50 years, Upper Trinity plans to continue its reuse of existing supplies and develop new sources, including Lake Ralph Hall in Fannin County.

NON-POTABLE WATER

To conserve drinking water and extend limited water supplies, Upper Trinity provides non-potable water (untreated water or reclaimed wastewater) for irrigation and industrial purposes.

WATER RECLAMATION

Upper Trinity has developed regional water reclamation plants using state-of-the-art technology to treat wastewater collected by community systems. The treated water meets or exceeds applicable standards and is then recycled into area lakes and streams.

WATERSHED PROTECTION

Denton County is within the watershed of the Trinity River and three major water supply sources: Lewisville Lake, Ray Roberts Lake and Grapevine Lake. Upper Trinity is a leader in educating the public about protecting water quality by limiting the use of pesticides, fertilizers, and other chemicals.

WATER CONSERVATION

To assure adequate water supplies for the future, conservation of existing resources must become a way of life. Upper Trinity offers public information and programs concerning earth-friendly landscape techniques, irrigation practices and more efficient personal and business water usage.

COLLECTION OF HOUSEHOLD HAZARDOUS WASTES

Many typical household products – solvents, cleaners, batteries, paint, pesticides, weed killer, pose potential hazards to our water sources. Working with communities, Upper Trinity has implemented a program to safely collect and dispose of such leftover hazardous materials from households.

GOALS

LEADERSHIP – Be a proactive, visionary agency for the region; address the needs of the service area and be receptive to new opportunities to serve.

ORGANIZATIONAL – Foster quality management; be a lean-function-driven organization that is flexible, sensitive, and responsive to the needs of members; and encourage active participation of informed, empowered employees at every level.

FUNCTIONAL – Develop, treat, and deliver safe and dependable long-term water resources; provide quality water reclamation, watershed management and solid waste services.

FINANCIAL – Be efficient and cost effective, providing a sound financial structure for the District.

PARTNERSHIPS – Develop and maintain good working relationships with members, utilities, cities, and government agencies.

ENVIRONMENTAL – Protect and improve water quality, promote conservation of natural and economic resources, and be good stewards of environmental assets.

EDUCATIONAL – Promote public education and public involvement in achieving the mission and goals of the District.

Approved by the Board of Directors November 6, 1997

STRATEGIC GOALS

The Upper Trinity Regional Water District has been and is committed to its mission “to plan, develop and manage water and solid waste services in the interest of its members, using consensus-based strategies that are environmentally and economically sound.” To further the District’s ever-evolving planning process and to focus its efforts for the coming year, the District annually reviews its planning to ensure that the District’s priorities are aligned with the needs of the members / customers and environment. By consistently taking these additional steps every year, Upper Trinity has been able to generate extraordinary results, enabling the development of regional systems in an efficient manner throughout the District’s service area in a relatively short period of time.

Each calendar year, the District’s Board of Directors approves the annual Work Program Guidelines, developed and proposed by District staff, that include strategic goals to be achieved by the end of the year. This annual Work Plan includes goals that staff must work towards every year and that are consistent with the District’s mission to provide the highest level of services that are environmentally and economically sound. A list of Special Activities and Projects (within this section) represents the 2024 Work Program Guidelines adopted by the District’s Board of Directors on February 1, 2024. To reflect progress made on each of these strategic goals and objectives, the reader will find:

- Links to District websites reflecting actions by the Board of Directors (UTRWD.com and LakeRalphHall.com).
- Links to external websites.
- Cites to the District’s budget document of the section and page number(s).
- A statement of the most up-to-date status of a work plan item obtained from District staff / department assigned to achieve a particular goal / objective.

Additionally, these guidelines fall into two major categories:

- **General** – Covering broad goals and themes. This is where we see the heart and can sense the personality of the District – the image we want to convey to others.
- **Specific** – These are the activities and individual projects we plan to get accomplished or underway in 2024.

GENERAL WORK PLAN GUIDELINES FOR 2024

- Inform Public Officials, Civic Leaders, and Citizens About Vital Programs of Upper Trinity.
- Be a Strong Advocate for the Regional Perspective.
- Focus on Water Resources / Planning and Conserving.
- Cultivate a Culture of Teamwork and Cooperation.
- Maintain a Lean Profile, a Progressive Image.
- Keep Mission and Goals in Perspective: Watch Priorities.
- Build Good Working Relationships with Nearby Cities and Water Systems.
- Be Responsive and Alert to Opportunities to Support Members / Customers.
- Consider “Excellence” to be the Standard for Operations.
- Cultivate Environmental Sensitivity and Responsibility.
- Exhibit Leadership in Watershed and Greenbelt Protection.
- Maintain Security / Safety of Systems and Resources.
- Stay Alert to Strategies for Fraud Protection and Cyber Threats.

THEMES / EMPHASES

- | | | | |
|---|---------------------------------|---|----------------------------------|
| ~ | Maintain Professional Staff | ~ | Produce Superior Results |
| ~ | Practice Great Teamwork | ~ | Be Creative & Innovative |
| ~ | Educate & Inform the Public | ~ | Sustain the Environment |
| ~ | Build Positive Image | ~ | Aggressively Plan for the Future |
| ~ | Encourage Safe Work Habits | ~ | Maintain Cost Control |
| ~ | Strive for Efficient Operations | ~ | Share Cost Equitably |
| ~ | Show Flexibility & Agility | ~ | Promote Conservation |
| ~ | Streamline & Simplify | ~ | Excel at Customer Service |

SPECIFIC PROJECTS AND ACTIVITIES FOR 2024

LEADERSHIP

<p>Initiative: Continue mandated long-range water supply planning efforts: Continued coordination with water supply partners during the development of the 2026 Region C Water Plan / 2027 State Water Plan to identify new water supply sources during development of 2026 Region C Water Plant / 2027 State Water Plan.</p>	
<p>Goal:</p>	<p>Stay focused on the need for a secure, diversified, long-range water supply for Members and Customers of the District -- with special emphasis on Lake Ralph Hall (LRH), and on the potential for additional resources in northeast Texas.</p> <p>Results / Reference(s): Water Sources - UTRWD (Link) Home - Home (lakeralphhall.com) (Link)</p>
<p>Goal:</p>	<p>Continue to implement water rights permit No. 5821 issued December 11, 2013 by TCEQ for LRH in Fannin County, Texas.</p> <ul style="list-style-type: none"> With funds provided by TWDB financial assistance, continue construction of the Leon Hurse Dam and Lake Ralph Hall Conveyance System, and complete property purchase for the Project. <p>Results / Reference(s): <i>As of September 20, 2023, all 136 parcels needed for the Lake Ralph Hall 32-Mile Pipeline have been acquired. Additional TWDB funds have been secured for continued work on the Lake Ralph Hall project.</i> LRH Updated Timeline Vertical 9.1.24 (lakeralphhall.com) (Link) <i>See CIP Funds section of this budget document (21-51RH), Page 289.</i></p> <ul style="list-style-type: none"> Continue to coordinate with the U.S. Forest Service to complete the Land Exchange process for Lake Ralph Hall. <p>Results / Reference(s): <i>District staff are continuing to work through the Federal Government's multi-step process to finalize this land transaction. We anticipate that it will be completed in 2025.</i></p>
<p>Goal:</p>	<p>Maintain a progressive public stance regarding District activities concerning LRH and in relationships with Fannin County, City of Ladonia, and the general public.</p> <ul style="list-style-type: none"> Continue to support Fannin County and the City of Ladonia regarding administration of zoning regulations around Lake Ralph Hall. <p>Results / Reference(s): Lake Ralph Hall Comprehensive Plan Social Pinpoint (mysocialpinpoint.com) (Link) Lake Ralph Hall - Home Facebook (Link) Fannin County, Texas (Link)</p> <ul style="list-style-type: none"> Continue discussions with the City of Ladonia and other interested parties regarding responsibilities for water and / or sewer relocations, future water supply, and operation of a future Fossil Park, and take appropriate actions. <p>Results / Reference(s): <i>District staff continue to work with the City of Ladonia regarding these issues.</i></p>

[Lake Ralph Hall Comprehensive Plan Adopted 2022.10.11 -Website Version.pdf \(Link\)](#)
[Ladonia Fossil Park Relocation | Lake Ralph Hall \(Link\)](#)

- Partner with the City of Ladonia to address the city's transition to a lakeside community by providing technical support and advice relative to the operation and maintenance of their water and wastewater systems.

Results / Reference(s):

[District staff continue to work with the City of Ladonia regarding these issues.](#)

[Lake Ralph Hall Comprehensive Plan Adopted 2022.10.11 -Website Version.pdf \(Link\)](#)
[Lake Ralph Hall Comprehensive Plan | Social Pinpoint \(mysocialpinpoint.com\) \(Link\)](#)

- Complete the relocation or abandonment of Fannin County roads impacted by Lake Ralph Hall.

Results / Reference(s):

[24-09-September-2024-Monthly-Report.pdf \(lakeralphhall.com\) \(Page 2 - Roadway and Bridge Improvements\) \(Link\)](#)

- Continue coordinating with Fannin County for safety enforcement services in support of Lake Ralph Hall operations and the public's recreational use.

Results / Reference(s):

Staff continue to meet with Fannin County officials to develop an agreement for these types of services. Nothing has been finalized as of the date of the GFOA budget submittal.

- Continue the planning / visioning for the area around Lake Ralph Hall. Begin to implement the conceptual plan for the overall lake site, including public access, water resource features, and public amenities.

Results / Reference(s):

[Staff continues to meet with Fannin County and City of Ladonia officials to develop a strategy for the activation of the overall LRH Comprehensive Plan.](#)

[Lake Ralph Hall Comprehensive Plan Adopted 2022.10.11 -Website Version.pdf](#)

- Continue outreach programs to District customers, elected officials, and the general public, provide project construction updates and other key information using the Lake Ralph Hall website, electronic newsletter, and social media channels; and provide presentations to elected officials and civic groups as requested.

Results / Reference(s):

[Home | UTRWD \(Link\)](#)

[Home | Lake Ralph Hall \(Link\)](#)

[Lake Ralph Hall - Home | Facebook \(Link\)](#)

[Upper Trinity R Water District \(@uppertrinitywater1989\) • Instagram photos and videos \(Link\)](#)

[Upper Trinity Regional Water District - YouTube \(Link\)](#)

- Continue to install watershed markers in appropriate locations along public roads on District property throughout the project site.

Results / Reference(s):

[Watershed Protection Program - UTRWD \(Link\)](#)

[Mitigation & Watershed Protection - Lake Ralph Hall \(Link\)](#)

[Education Public Awareness.pdf \(ctfassets.net\) \(Link\)](#)

	<p><i>See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – 2024, (Watershed Protection Program), Page #165.</i></p> <ul style="list-style-type: none"> As part of the District’s watershed protection program, continue to be open to opportunities for acquisition (from interested property owners -- in fee or by easement) of property that is upstream of LRH along riparian zones of tributaries to the Lake. <p>Results / Reference(s): Conservation Easements UTRWD (Link)</p>
<p>Goal:</p>	<p>In coordination with the City of Irving, complete the design and begin construction of the Princeton Booster Pump Station improvements needed to transport LRH water through Irving’s existing pipeline from Chapman Lake; begin updating the Operations Plan in cooperation with Irving.</p> <p>Results / Reference(s): SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #18A requesting approval for the Executive Director to release funding to the City of Irving for reimbursement for Addendum #2 to the existing contract with Black and Veatch for additional services related to the final design and engineering services during the construction for the Princeton Booster Pump Station Capacity Expansion Project (overall LRH Project).</i></p>
<p>Goal:</p>	<p>Regarding Oklahoma Water, keep applications up to date (with financial reporting by Denton, Irving, and Lewisville, as needed) and be alert to opportunities to advance the District’s pending applications to Oklahoma Water Resources Board for water rights in two river basins (the Kiamichi River and Boggy Creek basins, considering the recent court case dismissal), and for water from Lake Texoma.</p> <p>Results / Reference(s): <i>See Operating Funds Detail section of this budget document – Regional Treated Water System, Accomplishments for FY 2023 – 2024, Page #225 (7th and 8th bullet points). These efforts are on-going.</i></p>

<p>Goal:</p>	<p>Regarding Chapman Lake Reuse:</p> <ul style="list-style-type: none"> Secure an amendment to the Chapman Lake Reuse Permit (#5778) to include effluent from Mustang SUD’s Sandbrock Wastewater Treatment Plant and Celina’s planned new wastewater treatment plant system. <p>Results / Reference(s): <i>The Draft Permit was filed last fiscal year with the Texas Commission on Environmental Quality and District staff anticipate the final permit to be issued in December 2024.</i></p> <ul style="list-style-type: none"> Defend the District against City of Dallas contested case request filed with the Texas Commission on Environmental Quality (TCEQ). <p>Results / Reference(s): <i>Currently, this is ongoing and after the issuance of this permit by the TCEQ, the District has legal representation to defend the District’s effort to utilize the water rights authorized by this permit.</i></p> <ul style="list-style-type: none"> Begin permitting process with TCEQ to secure an indirect Reuse Permit for LRH water, as well as a Bed and Banks Permit to discharge LRH water into Lewisville Lake. <p>Results / Reference(s): <i>District staff will be filing an application for this permit by the end of the calendar year 2024 or in January 2025.</i></p> <ul style="list-style-type: none"> Evaluate the possibility of filing an application regarding acquisition of reuse rights for Members’ and Customers’ wastewater generated by groundwater or surface water flows to the District’s water reclamation plants . <p>Results / Reference(s): <i>Currently (at budget document submission date), there has been no action taken by District staff on this work plan item.</i></p>
<p>Goal:</p>	<p>To provide additional flexibility and reliability to the Regional Treated Water System, evaluate the possibility of installing a groundwater well at or near the Harpool Plant, with Aquifer Storage and Recovery capabilities.</p> <p>Results / Reference(s): <u>Board Meeting Minutes for December 1 2022.pdf (ctfassets.net) (Link)</u> <i>Agenda Item #11B reflecting approval of Task Order #3 to an existing contract with HDR Engineering, Inc. for a feasibility study and conceptual design for this project. Currently, this project is under design and is nearing construction.</i> <i>The outside engineering consultant, HDR Engineering, Inc. has developed the scope of this project, and a technical memo has been prepared for this project. This work program item is ongoing.</i></p>

Initiative: Continue involvement with Texas Water Supply Partners	
Goal:	<p>Continue involvement with Texas Water Supply Partners by monitoring federal / state water supply issues. Support the Partners’ efforts to advance and influence state policy related to the development of water supplies throughout the state, including implementation of the Texas State Water Plan and the newly created Texas Water Fund.</p> <p>Results / Reference(s): <i>This is on-going and is funded through the Administration Fund and the RTWS Future Water Program.</i> <i>See Operating Funds Detail section of this budget document – Administration Fund (\$6,000 is Included in Other Outside Services budget for FY 2025) and Other Funds section of this budget document – Future Water Program, Page #234 (Description) and Page #242 (Budget included under Professional Services).</i></p>
Initiative: Water Conservation / Drought Contingencies	
Goal:	<p>Review and update, as necessary, the District’s current water conservation and drought contingency plans as part of the required 5-year review, including making appropriate updates to the District’s model plans for its customers.</p> <p>Results / Reference(s): Upper Trinity Regional water district (utrwd.com) (Link) <i>UTRWD’s updated Drought Contingency Plan dated February 8, 2024, and presented at the February 1, 2024 Board meeting. This is not official until approved by the TCEQ and TWDB.</i> UPPER TRINITY REGIONAL WATER DISTRICT (utrwd.com) (Link) <i>UTRWD’s updated Water Conservation dated February 8, 2024, and presented at the February 1, 2024 Board meeting. This is not official until approved by the TCEQ and TWDB.</i></p>
Goal:	<p>Continue promoting the District’s updated model Water Conservation and Drought Contingency Plans for adoption by Customer entities to help achieve consistency throughout the District’s service area.</p> <p>Results / Reference(s): Conserving Water - UTRWD (Link) <i>The District utilizes several mediums to promote its Water Conservation program, including the District’s website, social media, plant tours, presentations, and others.</i> <i>See Other Funds section of this budget document – Water Conservation Program, Page #234 (Description) and Page #241 (Budget).</i> City & Utility Resources - UTRWD (Link) <i>Customer entities are encouraged to adopt these model plans, which include the latest best management practices and are consistent across all Customers.</i></p>
Goal:	<p>In coordination with Customer entities, continue promoting the District's conservation programs, including implementation of strategies adopted as part of the District's Water Conservation Plan. For reporting purposes, document the conservation efforts, activities, and expenditures.</p> <p>Results / Reference(s): Conserving Water - UTRWD (Link) <i>The District utilizes several mediums to promote its Water Conservation program, including the District’s website, social media, plant tours, presentations, and others.</i> <i>See Other Funds section of this budget document – Water Conservation Program, Page #234 (Description) and Page #241 (Budget).</i></p>

ORGANIZATIONAL ITEMS

Initiative: Maintain a robust preventive maintenance program	
Goal:	<p>Continue to review necessary staff levels to fully support the operational and maintenance needs of the growing facilities of the District to include Lake Ralph Hall.</p> <p>Results / Reference(s): <i>Operations and Maintenance managers communicate their staffing needs to the Director of Operations when developing the annual preliminary budget. These requests are communicated to the District's Human Resource Department so that any requested positions are linked to a current job description with costing provided to the Budget Division. Lake Ralph Hall staffing needs are currently being developed to ensure adequate staffing when the Lake comes online. See Operating Funds Detail section of this budget document – Administration Fund, Performance Measures Section (Employment Rate), Page #157. See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – FY 2024, (Recruit capable candidates for vacant positions), Page #164.</i></p>
Goal:	<p>Continue the on-going assessment of maintenance efforts for corrosion protection of District facilities (underground, underwater) and take necessary steps to address deficiencies and staff training.</p> <p>Results / Reference(s): <i>Based on service provided by HDR Engineering in FY 2021 and 2022, District operation staff continue to maintain the corrosion protection systems developed by the consultant as part of all routine pipeline inspections throughout all District operations.</i></p>
Goal:	<p>Continue condition assessment techniques, robotic inspection, and other appropriate advanced technologies on District pipelines and facilities. Develop results for use in prioritizing capital improvement projects, operational improvements, and proactive maintenance activities.</p> <p>Results / Reference(s): <u>AUG23_Minutes.pdf(ctfassets.net)</u> (Link) <i>Agenda Item #18B reflecting approval of Task Order #6 with HDR Engineering, Inc., for engineering services related to the Regional Treated Water System's Condition Assessment Planning Project. After review of current invoices, this project is still under design at 80.0% complete. Upon completion, this study will provide directions on prioritizing capital projects under the water and wastewater systems, along with techniques and procedures for preventative maintenance.</i></p>
Goal:	<p>Continue to purchase spare parts and equipment to build up District inventory during this period of limited supply.</p> <p>Results / Reference(s): <i>Operations and Maintenance are given the opportunity to request spare equipment items during the development of the preliminary budget during April through May of each fiscal year. These purchases are included in the annual revenue requirement and funded through rates and charges. Additionally, if these items meet the District's capitalization requirements, these purchases are included as assets and if not, these purchases are expensed in the year of purchase.</i></p>

Initiative: Updated Emergency Operations Plan from the District's Risk and Resilience Assessment and updated Emergency Operations Plan mandated by the America's Water Infrastructure Act.	
Goal:	Provide an overview briefing for the Board and key staff members. Take steps to implement any required changes and initiate training exercises for staff. Results / Reference(s): <i>District staff completed and certified the mandated Risk and Resiliency Assessment used to update the District's Emergency Operations Plan and have presented this to the Board. Staff training on all facets of the District's Emergency Operations Plan has continued since the Plan was updated in FY 2022 and meets all regulatory requirements and the Board has been briefed.</i>
Initiative: Training Program for Employees	
Goal:	Continue to review and modify the annual training program for 2024 according to future needs and goals. Develop a new employee training program by position. Results / Reference(s): <i>The Human Resources Department continues to review with Executive staff all training needs for District staff. Safety skills training continues to be provided to ensure that our employees follow proper procedures in all areas within the District. Financial Wellness continues to be a focus this year with a program provided by Finpath that provided personal financial training with one-on-one meetings to assist employees in establishing personal budgets. Additionally, Mission Square continues to provide retirement-related training as well as one-on-one meetings with District employees. The District began a series of on-line classes to kick off a Leadership Training Program to provide not only current leadership, but up and coming leaders the tools for communication, relationship building, and the integration of strategy and culture to strengthen workplace excellence.</i>
Initiative: District Personnel Policies	
Goal:	Continue review of District Personnel Policies, incorporate Administrative Directives, and make any needed revisions. Results / Reference(s): <i>The Human Resources Department continually reviews the District's Personnel Policies and updates are made as needed. All new policies are first reviewed with the District's Personnel Committee, before being presented to the Board of Directors for approval. New and Revised policy updates have been presented to the Board of Directors' Personnel Committee for consideration.</i>
Initiative: Electronic Filing System	
Goal:	Continue implementation of the Laserfiche electronic filing system to include Engineering and Construction files. Continue developing a trained staff capable of maintaining the system to ensure full conversion of records to the electronic format. Provide in-house training to District employees on how to locate documents in Laserfiche to eliminate manual document searches. Results / Reference(s): <i>The conversion of Administration files into an electronic format has been completed. The conversion of Engineering / Construction documents is ongoing.</i>

Initiative: Development of a District Intranet	
Goal:	Develop an Intranet to provide better internal communications to employees as the District continues to grow. Results / Reference(s): <i>The Information Technology Division continues to develop the Sharepoint project plan with a solution design in progress.</i>

LAKE RALPH HALL ITEMS

Initiative: Lake Ralph Hall	
Goal:	Continue to manage and monitor planning, design, and construction of Lake Ralph Hall, and the associated mitigation and conveyance systems. Results / Reference(s): <i>24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 3 – Conveyance) (Link)</i>
Goal:	Submit “Abridged” and “Final” applications and complete financing agreements with the Texas Water Development Board (TWDB) to secure the funding committed and anticipated to complete the reservoir project. Results / Reference(s): <i>DEC23_Minutes.pdf (ctfassets.net) (Link)</i> <i>Agenda Item #15D reflecting approval for District staff to file an Abridged Application” with TWDB for financial assistance for the Lake Ralph Hall Project.</i> <i>SEPT24_Agenda.pdf (utrwd.com) (Link)</i> <i>Agenda Item #15D requesting that the Board consider approval of a Financing Agreement with the TWDB under the State Water Implementation (SWIFT) Program for the RTWS Lake Ralph Hall project.</i>
Goal:	Identify and apply for grants and other financial support for recreational amenities for Lake Ralph Hall. Results / Reference(s): <i>MAR2024_Minutes.pdf (ctfassets.net) (Link)</i> <i>Agenda Item #16A reflecting approval for continued design of the LRH – Lake Support Facilities and Recreational Grant Consultation Services that include Headquarters Design (Schematic Design and Site / Master Plan Design), Fossil Part (Final Design and Construction Plant / Specifications), and Recreational Grant Consultation Services.</i> <i>Minutes_August-1-2024.pdf (utrwd.com) (Link)</i> <i>Agenda Item #15B reflecting approval for the Executive Director to file a Local Park Grant Program application with the Texas Parks and Wildlife Department for recreational amenities to include trails, trailheads, or trailside facilities for the Lake Ralph Hall project.</i>

Goal:	<p>Regarding Lake Ralph Hall infrastructure:</p> <ul style="list-style-type: none"> • Obtain TxDOT and Fannin County approval of roadway relocations and close out the Flatiron contract. <p>Results / Reference(s): 24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 2 - Roadway and Bridge Improvements) (Link)</p> <ul style="list-style-type: none"> • Complete construction and initiate monitoring phase of the Lake Ralph Hall Aquatic Mitigation Project. <p>Results / Reference(s): SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #18B requesting approval of Change Order #2 to an existing contract with Texas Mitigation Solutions, LLC., for the LRH Mitigation Project.</i></p> <ul style="list-style-type: none"> • Continue construction of the Leon Hurse Dam. <p>Results / Reference(s): DEC23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #14A for approval of Task Order #5 to the existing contract with Freese and Nichols, Inc. for Construction Management Services for twelve months in related to the LRH – Leon Hurse Dam and Raw Water Pump Station.</i> 24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 2 – Reservoir, Leon Hurse Dam, and Spillway) (Link)</p> <ul style="list-style-type: none"> • Continue construction of a raw water pipeline, raw water pump station, balancing reservoir, delivery point into the Irving (Chapman) system. <p>Results / Reference(s): DEC23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #14A reflecting approval of Task Order #5 to the existing contract with Freese and Nichols, Inc. for Construction Management Services for twelve months in related to the LRH – Leon Hurse Dam and Raw Water Pump Station.</i> APR24_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #15A reflecting approval to fund the pre-purchase of electrical transformers for the Princeton Booster Pump Station project.</i> Minutes_June-6-2024-1.pdf (utrwd.com) (Link) <i>Agenda Item #18B reflecting approval of Task Order #5 with Lockwood, Andrews & Newnam, Inc. for construction support for approximately 12 months, support, start-up and commissioning, support construction close-out, and assist in commissioning a cathodic protection system with the LRH Conveyance System.</i> SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #18 requesting approval for Executive Director to release funding to the City of Irving for reimbursement for Addendum #2 to the existing contract with Black & Veatch for additional services relating to the final design engineering services during construction for the Princeton Booster Pump Station Capacity Expansion project.</i> 24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 3 – Conveyance) (Link)</p>
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	<ul style="list-style-type: none"> • Work with Fannin County Electrical Cooperative (DCEC) and Oncor to complete the necessary utility relocations, and close out contract with AT&T, Oncore, and FCEC. <p>Results / Reference(s): Minutes August-1-2024.pdf (utrwd.com) (Link) <i>Agenda Item #15A reflecting approval for Executive Director to release funding to provide for the City of Irving’s reimbursement to Fannin Electric Cooperative for pre-construction engineering services related to electrical power distribution facilities for the Princeton Booster Pump Station Improvement project.</i></p>
<p>Goal:</p>	<p>Complete property acquisition for Lake Ralph Hall and conveyance system.</p> <p>Results / Reference(s): 24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 3 – Conveyance) (Link)</p>
<p>Goal:</p>	<p>Continue to perform cultural resource studies as required by USACE Section 404 Permit and submit required reporting to the appropriate agencies.</p> <p>Results / Reference(s): DEC23 Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #14C reflecting approval of Task Order #10 to the existing contract with AR Consultants for cultural resource consulting services for continued cultural resource studies required by the Section 404 Permit for Lake Ralph Hall.</i> Minutes June-6-2024-1.pdf (utrwd.com) (Link) <i>Agenda Item #18A reflecting approval of Task Order #11 to the existing contract with AR Consultants, Inc. for cultural resource consulting services for continued cultural resource studies required by the Section 404 Permit for Lake Ralph Hall.</i></p>
<p>Goal:</p>	<p>Continue working with Texas Parks and Wildlife Fisheries Division to install a fish habitat structure and continue fish stocking for LRH.</p> <p>Results / Reference(s): Recreation Lake Ralph Hall (Link) <i>UTRWD is already working to make Lake Ralph Hall a prime fishing location. A pond inside the future Lake Ralph Hall footprint is being stocked with a variety of advanced fingerlings (young fish about the size of a finger) as part of the Texas Parks and Wildlife Departments’ Toyota ShareLunker program. Introducing the adolescent bass and threadfin gamefish now will help them mature and establish a healthy population by the time Lake Ralph Hall fills up. Texas Parks and Wildlife will also eventually stock forage species such as bluegill sunfish and gizzard shad as well as black and white crappie, and channel and blue catfish for additional fishing opportunities. Construction crews are also strategically leaving some timber standing as they clear the future lake’s footprint. The standing timber will provide fish habitat, while cut timber will be collected for the Visitor Center and other local uses. In addition, crew members are creating fish habitat structures (like the one below) by arranging rocks, logs and brush into piles and strapping them down with steel cables and earthen anchors. These structures will ideally be 20-30 feet under the lake’s surface to provide ideal fish spawning areas. They are also using and arranging reef balls to create fish habitat.</i> 24-09-September-2024-Monthly-Report.pdf (lakeralphhall.com) (Page 3 – Mitigation) (Link)</p>

Goal:	<p>Continue developing operation and maintenance plans that outline staffing, infrastructure, and logistical needs for the efficient operation of the Lake Ralph Hall program, including the reservoir, Leon Hurse Dam, and conveyance system.</p> <p>Results / Reference(s): <i>The Human Resources Department continues to work with the Lake Ralph Hall Project Manager to ensure staffing requirements are met when necessary. The Adopted FY 2025 budget does not include new LRH position requests.</i></p>
Goal:	<p>Initiate planning to transition the Lake Ralph Hall program from Construction to Operations.</p> <p>Results / Reference(s): <i>Each fiscal year, District staff develop an RTWS Long Range Financial Plan and present it to the Board of Directors in September. The September 2024 version incorporates hiring of additional Lake Ralph Hall positions in FY 2026 through FY 2029, while completing the various segments of the LRH Reservoir. Additionally, raw water is projected to begin being delivered from the Lake to the newly improved Princeton Booster Pump Station and then to the Harpool Regional Treated Water Plant in the Summer of FY 2026.</i></p> <p><i>See Long Range Financial Plan section of this budget document, Page #s 98 – 103.</i></p>
Goal:	<p>Complete a Water Supply and Wastewater Master Plan for the Lake Ralph Hall area.</p> <p>Results / Reference(s): <u>Minutes from Feb 9 2023.pdf (ctfassets.net)</u> (Link) <i>Agenda Item #17B reflects approval of Task Order #1 with Kimley-Horn and Associates, Inc. for a Water and Wastewater Services Planning Study for the LRH Watershed. Work is continuing under this Task Order and is approximately 90% complete and should be completed by early FY 2025. See Project Development section of this budget document (Water and Wastewater Service Study for Sulphur River Basin), Page #353.</i></p> <p><u>attested 02-08-2024 Minutes LRH.pdf (fannin.tx.us)</u> (Link) <i>Minutes from the 2/8/24 Lake Ralph Hall Zoning Commission (City of Ladonia, Texas’ website) regarding the Water and Wastewater Master Plan.</i></p> <p><u>Agenda.pdf (utrwd.com)</u> (Link) <i>During the Work Session portion of the 10/3/24 District Board meeting, Engineering staff presented an update on the status of this study.</i></p>
Goal:	<p>Complete the LRH Shoreline Management Plan.</p> <p>Results / Reference(s): <u>Lake Ralph Hall Comprehensive Plan Adopted 2022.10.11 -Website Version.pdf</u> (Link) <i>This project is still on-going between our consultants and Fannin County officials.</i></p> <p><u>attested 02-08-2024 Minutes LRH.pdf (fannin.tx.us)</u> (Link) <i>Minutes from the 2/8/24 Lake Ralph Hall Zoning Commission (City of Ladonia, Texas’ website) regarding the Water and Wastewater Master Plan.</i></p> <p><i>See the CIP section (RTWS) of this budget document, Page #289 (21-51RH).</i></p>

<p>Goal:</p>	<p>Complete a Marina Feasibility Plan for Lake Ralph Hall.</p> <p>Results / Reference(s): Lake Ralph Hall Comprehensive Plan Adopted 2022.10.11 -Website Version.pdf (Link) <i>This project is still on-going between our consultants and Fannin County officials.</i></p> <p>attested 02-08-2024 Minutes LRH.pdf (fannin.tx.us) (Link) <i>Minutes from the 2/8/24 Lake Ralph Hall Zoning Commission (City of Ladonia, Texas’ website) regarding the Water and Wastewater Master Plan.</i></p> <p><i>See the CIP section (RTWS) of this budget document, Page #289 (21-51RH).</i></p>
<p>Goal:</p>	<p>Begin evaluating the LRH watershed and develop, at an appropriate time, a watershed protection plan to protect water quality in the new reservoir.</p> <p>Results / Reference(s): Mitigation & Watershed Protection - Lake Ralph Hall (Link)</p>

FUNCTIONAL ITEMS

<p>Initiative: Security Matters</p>	
<p>Goal:</p>	<p>Continue review of District progress, strategies, and training efforts related to site security and cybersecurity.</p> <p>Results / Reference(s): <i>The Human Resources Department continues to require cybersecurity online courses and has begun developing a Professional Competency Training Series. The District has also contracted with an unbiased security and compliance firm to perform Vulnerability Assessments and Penetration Testing on all District endpoints and evaluated / initiated applicable recommendations based on best practices. This testing will be performed on an annual basis. In addition, IT staff has updated its cybersecurity training curriculum that is provided to all District employees throughout the year to reinforce awareness of new and ever-evolving cyber threats. Simulated phishing campaigns will continue to be utilized to assess our user base to help identify problem areas.</i></p> <p><i>See Operating Funds Detail section of this budget document – Information Technology Fund, Accomplishments for FY 2023 – 2024, Page #s 171 - 172.</i></p> <p><i>See Operating Funds Detail section of this budget document – Information Technology Fund, Footnotes to Adopted FY 2025 budget, Page #170 – Other Outside Services.</i></p>
<p>Initiative: Administration Facilities:</p>	
<p>Goal:</p>	<p>Complete construction of the training / meeting facilities within the 802 N. Kealy Avenue Annex building.</p> <p>Results / Reference(s): Item 07-Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #14 reflects authorization for Executive Director to enter into a contract with J.T. Vaughn Construction, LLC. For the 802 N. Kealy Avenue Annex Building Improvements, Phase 2 project. This project is projected to be substantially completed by November 2024.</i></p> <p><i>See the CIP section (RTWS) of this budget document, Page #305 (21-51W4).</i></p>

Initiative: Northeast Regional Water Reclamation System	
	<p>Continue plans with participants and financial advisor for funding the Phase 3 expansion and the Parallel Interceptor for the Doe Branch Water Reclamation Plant.</p> <p>Results / Reference(s): APR24_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #13 reflecting authorization of Northeast Regional Water Reclamation System to issue \$30.0 million of revenue bonds (2nd tranche) on behalf of the City of Celina for their share of the Doe Branch Plant Expansion Phase 3 and Phase 1 Parallel Interceptor project. At the February 2024 Board meeting, it was determined that the Town of Prosper would be cash funding their share of this project.</i></p>
Goal:	<p>Complete design of Doe Branch WRP, Phase 3 Expansion and proceed with purchase of long lead equipment and items and early out packages, to mitigate supply issues and meet Project schedule.</p> <p>Results / Reference(s): SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #17A requesting approval of Amendment #1 to existing Construction Manager at Risk (CMAR) contract with Archer Western Construction, LLC., to establish a Progressive Guaranteed Maximum Price #1 for the NE Water Reclamation System Project (includes the Doe Branch Plant Expansion, Phase 3, Parallel Interceptor, Phase 1, and the Riverbend Plant Lift Station Improvement projects). The initial construction contract for this project was approved by the District's Board of Directors at the June 2023 meeting. Currently under Task Order #4 with Carollo Engineers, Inc. this project is at approximately 90.0% designed. See CIP Funds section of this budget document (14-518U), Page #341.</i></p>
Goal:	<p>Begin construction of Doe Branch Parallel Interceptor, Phase 1 and move forward with purchase of long lead equipment and items and early out packages, to mitigate supply issues and meet Project schedule.</p> <p>Results / Reference(s): SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #17A requesting approval of Amendment #1 to existing Construction Manager at Risk (CMAR) contract with Archer Western Construction, LLC., to establish a Progressive Guaranteed Maximum Price #1 for the NE Water Reclamation System Project (includes the Doe Branch Plant Expansion, Phase 3, Parallel Interceptor, Phase 1, and the Riverbend Plant Lift Station Improvement projects). The initial construction contract for this project was approved by the District's Board of Directors at the June 2023 meeting. Currently under Task Order #4 with Carollo Engineers, Inc. this project is at approximately 90.0% designed. See CIP Funds section of this budget document (14-511A), Page #342.</i></p>
Goal:	<p>Complete design of the Riverbend West Lift Station and move forward with purchase of long lead equipment and items and early out packages, to mitigate supply issues and meet Project schedule.</p> <p>Results / Reference(s): SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #17A requesting approval of Amendment #1 to existing Construction Manager at Risk (CMAR) contract with Archer Western Construction, LLC., to establish a Progressive Guaranteed Maximum Price #1 for the NE Water Reclamation System Project (includes the Doe</i></p>

	<p><i>Branch Plant Expansion, Phase 3, Parallel Interceptor, Phase 1, and the Riverbend Plant Lift Station Improvement projects). The initial construction contract for this project was approved by the District’s Board of Directors at the June 2023 meeting. Currently under Task Order #4 with Carollo Engineers, Inc. this project is at approximately 90.0% designed. See CIP Funds section of this budget document (14-51IP), Page #334.</i></p>
Goal:	<p>Finalize installation of planned landscaping improvements along north and west boundaries of Doe Branch Plant site.</p> <p>Results / Reference(s): <i>The landscaping improvements at the Doe Branch Plant will not be made until the Phase 3 expansion of the Plant that is nearing completion. See CIP Funds section of this budget document (14-518U), Page #341.</i></p>
<p>Initiative: Regional Treated Water System</p>	
Goal:	<p>Regarding Zebra Mussels in local lakes.</p> <ul style="list-style-type: none"> • Continue to monitor implemented measures for control / mitigation at the Lewisville Lake Intake Structure. • Continue to monitor Chapman Lake for Zebra Mussels, and if Zebra Mussels are found, be prepared to proceed with design and construction of a control/mitigation system for the Harpool Plant and associated raw water pipeline. <p>Results / Reference(s): Zebra Mussels UTRWD (Link)</p> <ul style="list-style-type: none"> • Continue to support the Texas Parks and Wildlife Division’s Zebra Mussel Public Awareness Program. <p>Results / Reference(s): <i>See Other Funds section of this budget document - Watershed Protection Program, Page #234 (Description) and Page #240 (Budget).</i></p>
Goal:	<p>In coordination with current developer and Lakes of Aubrey Fresh Water Supply District.</p> <ul style="list-style-type: none"> • Determine the timing to initiate construction on the Lake Ralph Hall Terminal Storage project. <p>Results / Reference(s): <i>Freese & Nichols (Engineering consultant) is currently providing services under a letter agreement (approximately 60% completed) to determine the embankment design and updating estimates of over-excavation and compaction that may be encountered during the construction of the reservoir. See CIP Funds section of this budget document (21-51HR), Page #296.</i></p> <ul style="list-style-type: none"> • Continue coordination with North Texas Natural Select Material (NTNSM) to complete work in accordance with the agreement. <p>Results / Reference(s): <i>Engineering and soil work was completed in late FY 2022 / early FY 2023, while construction of the pipeline is set to begin in FY 2027. See CIP Funds section of this budget document (21-51HP), Page #286.</i></p>

<p>Goal:</p>	<p>Regarding Taylor Plant improvements and expansion.</p> <ul style="list-style-type: none"> • Complete design for improvements and begin procurement of long lead items and equipment. • Continue taking advantage of Texas Water Development Board (TWDB) least-cost financing opportunities for the Taylor Plant expansion. Complete construction of certain process improvements required to sustain height flow capacity. • Begin construction of remaining process improvements. <p>Results / Reference(s):</p> <p>APR24 Minutes.pdf (ctfassets.net) (Link) <i>See Agenda Item #14 reflecting approval of Amendment No. 1 with Archer Western Construction, LLC. To establish a Progressive Guaranteed Maximum Price No. 1 for the Taylor Plant Expansion, Phase 3 and the Lewisville Lake Intake Pump Station Improvements Project to begin procurement of items with long lead times such as valves, filter under drain system, filter wash water troughs, and filter media. Funding from the TWDB SWIFT Board Participation program will be used to fund this amendment.</i></p> <p>Minutes August-1-2024.pdf (utrwd.com) (Link) <i>See Agenda Item #14C reflecting approval of Amendment No. 2 with Archer Western Construction, LLC. To establish a Progressive Guaranteed Maximum Price No. 1 for the Taylor Plant Expansion, Phase 3 and the Lewisville Lake Intake Pump Station Improvements Project to begin procurement of items with long lead times such as electrical equipment, valves, pumps, tanks, and plant process equipment.</i> <i>See CIP Funds section of this budget document (21-514R), Page #291 and (21-51TP), Page #292.</i></p>
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<p>Goal:</p>	<p>Regarding Harpool Plant expansion.</p> <ul style="list-style-type: none"> Finalize pilot testing membranes for next expansion of Harpool Plant and submit to TCEQ for approval. <p>Results / Reference(s): <i>This project has been completed and just recently submitted to the Texas Commission on Environmental Quality for approval.</i></p> <ul style="list-style-type: none"> Proceed with CMAR (Construction Manager at Risk) Preconstruction Services Contract. <p>Results / Reference(s): <u>Minutes June-6-2024-1.pdf (utrwd.com) (Link)</u> <i>Agenda Item #16 reflects authorization of a Pre-Construction Service Contract related to Construction Manager at Risk (CMAR) for the Harpool Water Treatment Plant Expansion project to McCarthy Building Companies, Inc.</i></p> <ul style="list-style-type: none"> Finalize phased plant expansion schedule to maximize plant capacity. <p>Results / Reference(s): <i>Currently, District Engineering staff and the contractor are developing a plant expansion “phased-in” schedule so that completed components that allow for greater water treatment capacity can be put into operations as early as possible to increase ability to provide additional supplies of water to the District’s members / customers.</i></p> <ul style="list-style-type: none"> Finalize design on initial phase of plant expansion. <p>Results / Reference(s): <i>Currently, this project is under design via Task Order #9 that was approved at the 11/2/23 Board meeting.</i> <i>See CIP Funds section of this budget document (21-512H), Page #295.</i></p>
<p>Goal:</p>	<p>Complete design of Lewisville Lake Raw Water Pump Station improvements.</p> <p>Results / Reference(s): <i>Currently, this project is under design via Task Order #9 that was approved at the 11/2/23 Board meeting.</i></p>
<p>Goal:</p>	<p>Finalize replacement and upsize of Phase 1A Water Pipeline.</p> <p>Results / Reference(s): <u>SEPT24_Agenda.pdf (utrwd.com) (Link)</u> <i>Agenda Item #17D reflects consideration of a resolution authorizing acceptance of completed work, approval of final change order, final payment, and release of retainage for construction contract awarded to S.J. Louis Construction of Texas, Ltd. For Replacement and Upsize of Section of Phase 1A Pipeline along Copper Canyon Road.</i></p>

Goal:	<p>Complete construction of the Harpool WTP diurnal pond and associated inflow structure.</p> <p>Results / Reference(s): <i>This project has been substantially completed; however, it has not yet been formerly closed out by the Board.</i> <i>See CIP Funds section of this budget document (budgeted under 21-51HO and coded internally as a sub-project as 21-51HH), Page #294.</i></p>
Goal:	<p>Finish design and begin construction of the Harpool Northeast Phase 2 water transmission pipeline and Point of Delivery.</p> <p>Results / Reference(s): APR23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #15D reflecting approval of Task Order #4 with Kimley Horn Associates, Inc. for engineering services related to final design of the Harpool Northeast Pipeline, Phase 2 project. Currently, this project is reaching final design under Task Order #4. However, at this time, no construction contract has been finalized.</i> <i>See CIP Funds section of this budget document (21-514N), Page #297.</i></p>
Goal:	<p>Finish construction of the Regional Treated Water System Hydraulic improvements to member and customer meter vaults.</p> <p>Results / Reference(s): <i>This project has been substantially completed; however, it has not yet been formerly closed out by the Board.</i> JUN23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #11A reflecting approval of contract to Arcadia Services, LLC., for Hydraulic and Resiliency Improvements and for the construction to upsize and improve four meter vaults.</i> <i>See CIP Funds section of this budget document, Page #290.</i> <i>Construction began on this segment of the 21-519Y project (designated as sub-project code 21-517L and 517M) in FY 2024.</i></p>
Goal:	<p>Complete property acquisition for the future Northeast Pump Station and Ground Storage Tank.</p> <p>Results / Reference(s): <i>Activities to acquire a site for this project are currently ongoing.</i> <i>See CIP Funds section of this budget document (21-51GT), Page #293.</i></p>
Goal:	<p>Finish construction of necessary pump additions and upgrades to existing facilities within the Regional Treated Water System.</p> <p>Results / Reference(s): <i>This project has been substantially completed; however, it has not yet been formerly closed out by the Board.</i> <i>See CIP Funds section of this budget document, Page #290.</i> <i>Construction began on this segment of the 21-519Y project (designated as sub-project code 21-517K) in December 2022.</i></p>

<p>Goal:</p>	<p>Continue construction of the Southwest Pump Station and ground storage tanks.</p> <p>Results / Reference(s): <i>Construction continues on the above project. The notice to proceed was issued on 9/12/23 to Crescent Constructors, Inc.</i> <i>See CIP Funds section of this budget document (21-51WP), Page #288.</i></p>
<p>Goal:</p>	<p>Continue coordination with TxDOT and other public entities regarding TxDOT’s proposed paving and drainage improvements that may affect existing District ROW and facilities along FM 407, IH35E, FM 720, FM 2931, FM 1385, US 377, and HWY 380. Be ready to make adjustments to District facilities as required by such proposed public improvements.</p> <p>Results / Reference(s): <i>See CIP Funds (RTWS) section of this budget document, Page #s 309 – 314. District staff are still working with TxDOT staff for reimbursements due to the District for completed project costs.</i></p>
<p>Goal:</p>	<p>Develop a systemwide hydraulic model to evaluate the entire system and prioritize improvements.</p> <p>Results / Reference(s): <i>Minutes August-1-2024.pdf (utrwd.com) (Link)</i> <i>Agenda Item #14B reflects Task Order #1 with Jacobs Engineering for engineering services to develop, update, and maintain the District’s RTWS Hydraulic Model.</i> <i>See CIP Funds section of this budget document (21-515B), Page #302.</i></p>
<p>Initiative: Lakeview Regional Water Reclamation System and Peninsula Water Reclamation Plant</p>	
<p>Goal:</p>	<p>Finish design and begin construction of lift station rehabilitation improvements.</p> <p>Results / Reference(s): <i>Minutes August-1-2024.pdf (utrwd.com) (Link)</i> <i>Agenda Item #11 reflects approval for District staff to advertise for bids for the Lakeview Water Reclamation System Lift Station Improvements project.</i> <i>Design for this project is currently nearing completion.</i> <i>See CIP Funds section of this budget document (11-5179), Page #324.</i></p>
<p>Goal:</p>	<p>Substantially complete construction hydraulic improvements at Lakeview WRP.</p> <p>Results / Reference(s): <i>OCT23 Agenda.pdf (ctfassets.net) (Link)</i> <i>Agenda Item #17 reflects request for approval of a construction contract to Stoltz Mechanical Contractors, LLC. for Lakeview Regional Water Reclamation Plant Improvements project (as interim improvements associated with the expansion of the Lakeview RWRP). However, currently, due to material lead times, the contractor has not provided services to the District for this project. Initial design is still underway.</i> <i>See CIP Funds section of this budget document (11-51L2), Page #322.</i></p>

Goal:	<p>Finish construction to expand the Peninsula Water Reclamation Plant from 0.94 to 2.0 MGD and place Plant into full operation.</p> <p>Results / Reference(s): <i>The expanded facilities at the Peninsula Plant were put into operation in September 2023.</i></p> <p>SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #17C reflecting request for Board to accept completed work, approve final change order, final payment, and release of retainage for construction contract awarded to Eagle Contracting, L.P. for the Peninsula Water Reclamation Plant Phase III Expansion project.</i></p>
Initiative: Continue utilization of results from recent studies and condition assessments.	
Goal:	<p>Prioritize ongoing capital improvement projects, develop preventative maintenance plans, and improve operation of the District facilities.</p> <p>Results / Reference(s): <i>District Management continues to utilize data and other findings from previous condition assessments to prioritize needed capital improvement projects for District facilities in an on-going effort to heighten preventive maintenance activities that will maintain the District's readiness to provide services to its Members / Customers.</i></p>
Initiative: Use of acoustic inspection / other condition assessment activities.	
Goal:	<p>Plan acoustic inspection and other condition assessment activities of RTWS pipelines and prioritize their rehabilitation / repair of identified issues.</p> <p>Results / Reference(s): <i>Funding (\$150,000) is provided in the FY 2025 Adopted Budget for the completion of Smart-Ball and Acoustic inspections and repairs (if needed) of RTWS pipelines.</i></p>
Initiative: District Construction Details.	
Goal:	<p>Update District's standard construction details.</p> <p>Results / Reference(s): OCT23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #16B requesting approval of Task Order #7 for engineering services related to updating District water and wastewater standard details for construction projects. This is budgeted across the District's operating funds under "Engineering" and is projected to be completed by the end of FY 2024 or early 2025. This will allow District staff to establish construction standards that are consistent between all operating systems.</i></p>
Initiative: Lake Chapman	
Goal:	<p>Continue to work with other water users of Chapman Lake to share information to ensure that operation of Harpool Plant is not adversely affected by repairs to the Chapman Lake transmission pipeline system.</p> <p>Results / Reference(s): <i>District staff continue to be in communication to coordinate with City of Irving Water Utility Management to limit any interruptions of the delivery of raw water to the Harpool Plant. It is very important that raw water delivery from Lake Chapman is not interrupted due to the strong growth in the demand for treated water in the northeast service area that the Harpool Plant serves.</i></p>

Initiative: Extension of water service to Members / Customers	
Goal:	<p>In conjunction with development activity in the area near the City of Aubrey, north of the Harpool Plant, coordinate with Mustang SUD, Aubrey, Pilot Point, City of Celina, and developers concerning planned extension of water services.</p> <ul style="list-style-type: none"> Coordinate with the City of Aubrey, finalize alignment, pursue acquisition of necessary easements, and continue design of the Harpool Northeast Pipeline, Phase 3. <p>Results / Reference(s): AUG23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #18C reflects approval of Task Order #5 with Kimley Horn Associates, Inc. for engineering services related to final design, bidding, and construction of the Northeast Pipeline Phase 3 project to provide additional supply capacity to the northeast portion of the Regional Treated Water System. This project also includes a new meter vault and associated piping at the City of Aubrey’s proposed pump station site. Currently this alignment study is on-going, with design / engineering at the 60.0% completion mark. Easement coordination services are also continued in Task Order #5.</i> <i>See CIP Funds section of this budget document (21-515N), Pages #298.</i></p> <ul style="list-style-type: none"> Continue to coordinate with developers for future ROWs through the areas of development, to enable efficient future pipeline extensions northward. <p>Results / Reference(s): <i>See CIP Funds (RTWS) section of this budget document, Page #315.</i> <i>Funding reflected for Customer Pipeline extensions (21-5138).</i></p>
Goal:	<p>Provide prompt response to any Customer requests for increase in water demand or volume.</p> <p>Results / Reference(s): <i>These activities are on-going via communications with District Customers, as well as regular review of customer water and / or wastewater flow data. District staff promptly respond to any request by a Customer to increase their Water Demand. All contract amendments are handled by the Director of Governmental Affairs and Communications.</i></p>
Goal:	<p>Evaluate future water needs of the Regional Treated Water service area and identify feasible routes for future water transmission pipelines to meet Customer’s future water needs.</p> <p>Results / Reference(s): <i>These activities are on-going via communications with District Members in the District’s northeast service area regarding their future water needs and strategically plans for these possible infrastructure needs by incorporating them into the District’s Capital Improvement Program.</i> <i>See the CIP Funds (RTWS) section of this budget document, Page 286 (Harpool Northeast Transmission Pipeline, Phases 1 – 5 and the Southwest Transmission Pipelines, Phase 4 – 5).</i></p>
Goal:	<p>In coordination with City of Justin and the Town of Northlake, continue to evaluate the long-term future water needs of both Members, including the possibility of serving entities along FM 407 west of the City of Justin, Texas.</p> <ul style="list-style-type: none"> Coordinate with Justin on the need for easement to appropriate delivery location(s). <p>Results / Reference(s):</p>

	<p>District staff continue to coordinate with City of Justin and Town of Northlake staff regarding their future water needs. A project titled, RTWS Southwest Transmission Pipeline, Phase 4 has been established with an active task order to complete pipeline alignment evaluations to serve west of Justin and Northlake.</p> <p>24 MAY Minutes.pdf (utrwd.com) (Link) <i>Agenda Item #19 reflecting approval of Task Order #8 with HDR Engineering, Inc. for engineering services related to identifying pipeline alignments to serve Ponder and Krum (entities west of Justin and Northlake). This includes evaluating pipeline alignments, identifying key hydraulic parameters, and recommending up to three alignments for the future transmission lines. See CIP Funds (RTWS) section of this budget document (21-51PG), Page #299.</i></p> <ul style="list-style-type: none"> • Perform pipeline route evaluation to determine the best possible alignments to Ponder and Krum. <p>Results / Reference(s): 24 MAY Minutes.pdf (utrwd.com) (Link) <i>Agenda Item #19 reflecting approval of Task Order #8 with HDR Engineering, Inc. for engineering services related to identifying pipeline alignments to serve Ponder and Krum (entities west of Justin and Northlake). This includes evaluating pipeline alignments, identifying key hydraulic parameters, and recommending up to three alignments for the future transmission lines.</i></p>
<p>Initiative: Harpool Emergency Water Supply Lake</p>	
<p>Goal:</p>	<p>With the Town of Providence Village, negotiate a renewal of the expired 10-year lease agreement for recreational and amenity benefits associated with the Harpool Emergency Water Supply Lake. Complete construction of bank erosion repairs and mitigation measures around key areas of the lake.</p> <p>Results / Reference(s): <i>Negotiations have occurred over the past several years between District staff and the Town of Providence Village for a lease renewal. These negotiations will continue until a new lease is completed. Additionally, District staff have addressed the erosion issues around the lake as part of the Harpool Diurnal Pond project (21-51HH via Archer Western Construction), that is a subproject of the Harpool Regional Treated Water Plant Phased Treatment Expansion, Phase 1 project (21-51HO). See CIP Funds (RTWS) section of this budget document (21-51HO), Page #294.</i></p>
<p>Initiative: District Rights-Of-Way</p>	
<p>Goal:</p>	<p>Continue field surveys and actions to keep pipeline markers current and adequate for changing conditions along District rights-of-way.</p> <p>Results / Reference(s): <i>These are on-going and are regularly completed by the District's Transmission Operators as part of their normal maintenance activities.</i></p>

Initiative: Riverbend Site Discharge Permits	
Goal:	<p>Continue to work with TCEQ to support submitted applications for discharge permits for the Riverbend sites to adjust permits to recognize ultimate flows.</p> <p>Results / Reference(s): <i>The Discharge Permit for the Riverbend Plan permit was completed at the end of FY 2023. However, District staff are continually in communication with the TCEQ regarding level of flows treated at the Riverbend Plant so that the limits from the discharge permit are not violated / exceeded.</i></p>
Initiative: Emergency Reliability and Redundancy	
Goal:	<p>Work with the City of Lewisville and other members, as appropriate, to evaluate and implement strategic inter-connections between water systems that provide emergency reliability and redundancy for both parties.</p> <p>Results / Reference(s): <i>District Management / Staff have continued their discussions with City of Lewisville staff (and are prepared to discuss with other parties), regarding the construction of an inter-connect that would be beneficial for both parties. As part of the District's pipeline maintenance program, Operating staff have coordinated with Customer participants to test some existing System inter-connects in early FY 2023, while testing of all System inter-connects will occur in FY 2024.</i></p>
Initiative: Protect District Pipelines	
Goal:	<p>Continue to coordinate with USACE to protect District pipelines during the Lewisville Lake Dam Safety Rehabilitation Project.</p> <p>Results / Reference(s): <i>See CIP Funds section (RTWS and NPWS) of this budget document (21-51W3), Page #308 and (21-513N), Page #330.</i></p>
Initiative: 24-Hour Staffing of District Facilities in the northeast service area	
Goal:	<p>Continue to implement the staffing level changes necessary to provide reliable 24-hour service for the facilities in the northeast area of the District.</p> <p>Results / Reference(s): <i>24-hour staffing was initiated in the Northeast Service area during FY 2022 (late 2021 calendar year). Staffing needs continue to be evaluated and addressed as needed. The Adopted FY 2025 Operating Budget includes a Wastewater Operator III position that is allocated 90% to the Northeast Regional Water Reclamation System (Riverbend & Doe Branch Plants) and 10% to the Peninsula Plant. Additionally, two new Wastewater Operators (one dayshift and one nightshift) were added to the Adopted FY 2025 Operating Budget for the Northeast Regional Water Reclamation System (Riverbend & Doe Branch Plants) to bolster overnight operations staffing.</i></p>

Initiative: Ground Storage Tank Construction for the Town of Providence Village and the City of Justin	
Goal:	<p>Continue coordinating with the Town of Providence Village and the City of Justin to design and construct the required Ground Storage Tank for each entity. If necessary, develop a plan to provide financing for either an interim or permanent time-period.</p> <p>Results / Reference(s): <i>District staff are coordinating with these two entities on the design and construction of their ground storage tanks. These proposed tanks are scheduled to be in service in 2024 or 2025.</i> JUN23_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #11A reflects the award of a construction contract to Acadia Services, LLC., for Regional Treated Water System Hydraulic and Resiliency Improvements Project related to upsizing the pipeline in System meter vaults and installation of permanent meter vault for the Town of Providence Village. This work is continuing.</i></p>
Initiative: Long-Term Water Supply needs of western Denton County and eastern Wise County.	
Goal:	<p>In coordination with the appropriate stakeholders, begin evaluating the long-term water supply needs of western Denton County and eastern Wise County, and coordinate with the Denton County Transportation Plan.</p> <p>Results / Reference(s): <i>District staff continue to coordinate with the stakeholders regarding treated water service in western Denton and Wise counties. The construction of the Southwest Pump Station will enable the District to increase its pumping pressure and capacity to potentially serve new customers in the western Denton County and eastern Wise County areas.</i> <i>See the CIP section (RTWS) of this budget document (21-51WP), Page #288.</i></p>

FINANCIAL ITEMS

Initiative: Rate Impact Strategies	
Goal:	<p>Continue efforts to utilize Texas Water Development Board funding for LRH to assist in minimizing the rate impact in the early years of the project construction.</p> <p>Results / Reference(s): Fact Sheet 2.pdf (ctfassets.net) (Link) <i>The District is utilizing Board Participation and Deferred Interest funding through the Texas Water Development Board’s State Water Implementation Fund for Texas (SWIFT) program that structures the repayment of debt on a lower and deferred basis longer than conventional debt issues. This allows the District’s customer base to grow larger while the increase to debt service grows at a slower pace.</i> SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #16A reflecting approval of a financing agreement with the TWDB for “Board Participation” funding for the Lake Ralph Hall Project.</i></p>
Goal:	<p>Continue efforts to utilize Texas Water Development Board funding for Phase 3 of the Northeast Pipeline Project in the Regional Treated Water System.</p> <p>SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #16C reflecting approval of a financing agreement with the TWDB for “Board Participation” funding for the Northeast Transmission Pipeline Project.</i></p>

<p>Goal:</p>	<p>Continue efforts to utilize Texas Water Development Board funding for the Taylor Regional Water Treatment Plant Expansion Project in the Regional Treated Water System. SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #16B reflecting approval of a financing agreement with the TWDB for “Board Participation” funding for the Taylor Regional Treated Water Plant Expansion (Phase 3) Project.</i></p>
<p>Goal:</p>	<p>Submit “Abridged” and “Final” applications and complete financing agreements with the Texas Water Development Board to secure the funding for the Harpool Regional Water Treatment Plant Expansion Project. APR24_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #5B reflecting submittal of abridged application for the Harpool Plant Expansion (Phase 2) Project in March 2024 with the TWDB for “Board Participation” funding for the Harpool Regional Treated Water Plant.</i> SEPT24_Agenda.pdf (utrwd.com) (Link) <i>Agenda Item #16D reflecting approval of a financing agreement with the TWDB for “Board Participation” funding for the Harpool Regional Treated Water Plant Expansion (Phase 2) Project.</i></p>
<p>Initiative: Monitor Financial Markets</p>	
<p>Goal:</p>	<p>Continue to monitor financial markets, implementing measures, as needed, to best protect and improve the District’s long-term financial condition.</p> <p>Results / Reference(s): <i>District Financial Staff actively monitor financial markets to take advantage of low interest rates for conversion of outstanding debt that will yield savings to District participants. With the dramatic rise in interest rates in 2022 through mid-FY 2024, there have been no opportunities to refund outstanding debt of the District, aside from the conversion of variable rate debt (Commercial Paper and Direct Purchase program funds), because of the aggressive refunding of debt over the past twelve to fourteen years during periods of historical low interest rates.</i> Item_07-Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #9 reflecting acceptance of the District’s Quarterly Investment Report for the Quarter Ending December 31, 2023.</i> 24_MAY_Minutes.pdf (utrwd.com) (Link) <i>Agenda Item #9 reflecting acceptance of the District’s Quarterly Investment Report for the Quarter Ending March 31, 2024.</i> Minutes_August-1-2024.pdf (utrwd.com) (Link) <i>Agenda Item #9 reflecting acceptance of the District’s Quarterly Investment Report for the Quarter Ending June 30, 2024.</i> <i>This investment report is reported to the District’s Board of Director each quarter.</i></p>
<p>Initiative: Cash Flow efficiency</p>	
<p>Goal:</p>	<p>Continue efforts to streamline cash flow planning for the District’s large Capital Improvements Program to better achieve least-cost financing for the various projects.</p> <p>Results / Reference(s): <i>The Business Department is meeting with the Engineering Department more frequently to more closely vet the spending projections of capital improvement projects and measure the cash outflows more accurately to delay refundings of outstanding variable rate debt to save money on interest and debt service costs.</i></p>

Initiative: Management Reports	
Goal:	<p>Complete format for Management Reports to provide additional information related to Operations, Engineering and Construction.</p> <p>Results / Reference(s): <i>District management is continuing to review possible changes to the current format of the Monthly Management Report. Once developed, this newly formatted report will be presented to the District's Executive Director for approval to ultimately be presented to the Board of Directors monthly meetings.</i></p>
Initiative: Financial Software	
Goal:	<p>Continue to work on the next phase to upgrade the Human Resources and Payroll Employee Self Service (ESS) and Time and Attendance Module within Incode's web-based software.</p> <p>Results / Reference(s): <i>The upgrade to Incode 10 was completed in March 2023. The District is currently awaiting the two-factor authentication addition to the Employee Service System (ESS).</i></p>
Initiative: Variable Rate Program	
Goal:	<p>Continue to take advantage of the additional financial opportunities presented by expanding the Variable Rate Program to \$100 million with Wells Fargo NA.</p> <p>Results / Reference(s): <i>DEC23 Minutes.pdf (ctfassets.net) (Link)</i> <i>Agenda Item #11 to consider a Resolution authorizing and establishing UTRWD Regional Treated Water supply system revenue subordinate lien variable rate note program in an aggregate principal amount not to exceed \$100.0M at any one time outstanding.</i> <i>The Regional Treated Water System primarily utilizes Variable Rate Financing to fund all select capital improvement projects in the Regional Treated Water System (RTWS) until it is favorable to refund a lump sum amount like the one projected in that fiscal year's budget.</i></p>

Initiative: Development of relationships, protocols, and appropriate controls – Variable Rate Program.	
Goal:	<p>Continue to develop relationships, protocols, and appropriate controls for the District’s Variable Rate Program with Wells Fargo NA</p> <p>Results / Reference(s): <i>Upon establishment of the Variable Rate Financing Program, the Business Department (Finance and Accounting) established the following protocols and controls for this program:</i></p> <ul style="list-style-type: none"> • <i>Correspondence is received by the Business Department from the Engineering and Construction Department to indicate the need for funding for an eligible capital project in the Regional Treated Water System.</i> • <i>The Controller evaluates the correspondence and calculates the necessary amount of Variable Rate Notes to issue depending on the amount of available construction cash on hand and projected cash flows.</i> • <i>The Controller makes a documented request for the recommended Variable Rate Note issuance amount to the Chief Financial Officer.</i> • <i>Based on the Controller’s evaluation, current market conditions, and maturity requirements, the Chief Financial Officer issues the Variable Rate Note to provide optimal, least-cost financing for the eligible capital project to Wells Fargo Bank.</i> • <i>A representative of Wells Fargo Bank emails correspondence to finalize the actual terms of the Note to the Staff Accountant, Controller, and Chief Financial Officer.</i> • <i>This continues to be an on-going process.</i>
Initiative: Development of relationships, protocols, and appropriate controls – Financial Assets.	
Goal:	<p>Continue to ensure that proper internal controls have been implemented to protect the District’s financial assets.</p> <p>Results / Reference(s): <i>The District has developed a Fraud Risk Assessment and Procedures Manual which is a living, breathing document that is updated yearly which identifies areas of fraud risk and formally documents the internal controls of the District put in place to mitigate risk. The manual serves the purpose of allowing people to see and review various controls of the District and includes procedures to help the District protect its assets and financial reporting process.</i></p>
Initiative: Eminent Domain Report	
Goal:	<p>File the Eminent Domain Report with the State of Texas Comptroller’s Office.</p> <p>Results / Reference(s): <i>The District’s Manager of Property Services last filed this report as of November 2023. The next filing date will be as of November 2024. Per the Texas Comptroller’s Office, there is a three-month period (November 1st through February 1st) to file this report.</i> <u>Comptroller’s Online Eminent Domain Database (COEDD) Search (texas.gov)</u> (Link) <i>The link reflects general instructions regarding filing of the State of Texas’ Eminent Domain Report and a database to search for all Texas entities that have filed a report.</i></p>

PARTNERSHIP ITEMS

Initiative: Member and Customer Entities	
Goal:	<p>Continue to develop and improve working relationships with Member/Customer entities for mutual benefit.</p> <ul style="list-style-type: none"> • Promote better coordination, increased information sharing, and develop relationships between employees with related duties. • Arrange and host joint training opportunities when mutually beneficial. <p>Results / Reference(s): <i>District staff routinely meets with its Members / Customers to coordinate future water and wastewater needs. These meetings are held individually or in a group setting, such as the Customer Advisory Committee (CAC). Additional annual surveys are used to gather information about current and future needs.</i></p>
Initiative: City of Denton – Renewal of existing agreements	
Goal:	<p>Continue coordination with the City of Denton regarding the renewal of existing agreements.</p> <ul style="list-style-type: none"> • For temporary raw water purchases from Denton out of Lewisville and Ray Roberts Lakes. • For treated water services from Denton and potential interconnections for emergency operation. <p>Results / Reference(s): <i>Negotiations with the City of Denton, Texas and District staff are on-going regarding the renewal of the Raw Water Service contract. The Treated Water contract between Denton and UTRWD has been extended.</i></p>
Initiative: Long Range Water Supply in the Sulphur River Basin	
Goal:	<p>Continue partnership with other regional water providers and the Sulphur River Basin Authority (SRBA). Continue working with partners on a joint project to study and analyze the development of future water supply projects in the Sulphur River Basin, including the yields of such projects consistent with requirements of water rights permitting. Also, monitor the water rights filing by the City of Texarkana.</p> <p>Results / Reference(s): <i>Final report on this study was received in February 2024. Currently, District staff are continuing to monitor the City of Texarkana application and coordinating with our regional partners.</i></p>
Initiative: Identify Excessive Inflow and Infiltration	
Goal:	<p>Continue on-going efforts with District Members and Customers to identify sources of excessive infiltration and inflow and encourage appropriate corrective action.</p> <p>Results / Reference(s): <i>Staff actively communicate with members / customers following rain events and work with their staff, as necessary, to assist in locating and addressing infiltration and inflow issues.</i></p>

Initiative: Staying Alert for Proposed Wastewater Permits	
Goal:	In cooperation / coordination with Members, stay alert for proposed wastewater permits that are potentially in conflict with an existing regional water reclamation plant or within the Member's planning area and assist as needed to protect water quality in receiving water body. Results / Reference(s): <i>This task is on-going as District staff actively researches this information.</i>
Initiative: Emergency Operations	
Goal:	Stand ready to assist Members and Customers during emergency operational situations. Results / Reference(s): <i>This is an on-going activity between District staff and its members / customers and stand ready to assist during emergency operational situations.</i>

ENVIRONMENTAL ITEMS

Initiative: Upper Trinity Conservation Trust Staff Support	
Goal:	Provide staff support to the Upper Trinity Conservation Trust and to its Board of Trustees; provide for leadership training, networking and assistance in other activities related to the mission of the Trust. Results / Reference(s): UTCT (Link) <i>To promote the District's regional Watershed Protection program, District staff provides administrative support to the Upper Trinity Conservation Trust. See Other Funds section of this budget document – Upper Trinity Conservation Trust, Page #236 (Description) and Page #267 (Budget).</i>
Initiative: Expand Partners Program	
Goal:	In coordination with the Upper Trinity Conservation Trust, continue to expand the “partners” program to increase awareness and foster partnerships with cities, utilities, educational institutions, government agencies, professional entities, and others, to help protect watershed assets. Results / Reference(s): UTCT (Link) Watershed Partners Program – UTCT (Link)
Initiative: Watershed Protection Program	
Goal:	Continue to communicate the District's Watershed Protection Program to cities and utilities throughout the Lewisville Lake Watershed. Results / Reference(s): Watershed Protection Program - UTRWD (Link) <i>Throughout the year, District staff make presentations and provide information to interested parties on how to protect water quality in the District's water supply lakes. See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – 2024, (Watershed Protection Program), Page #165. See Introduction section of this budget document – Organizational Profile, (Watershed Protection Program), Page #26.</i>

Initiative: USACE Conservation Trust	
Goal:	<p>Seek opportunities to participate in the U.S. Army Corps of Engineers conservation trust management programs established to meet wetland mitigation requirements.</p> <p>Results / Reference(s): UTCT (Link) <i>This is a continued, long-term goal of the Upper Trinity Conservation Trust and District. See Other Funds section of this budget document – Upper Trinity Conservation Trust Page #236 (Description) and Page #267 (Budget).</i></p>
Initiative: Denton County Greenbelt Plan	
Goal:	<p>Continue to coordinate with cities, utilities, and developers to promote adoption of the Plan within the respective jurisdictions.</p> <p>Results / Reference(s): Denton County Greenbelt Plan – UTCT (Link) DCGP Executive Summary.pdf (ctfassets.net) (Link) <i>In coordination with the Upper Trinity Conservation Trust, District staff work to implement various elements of the Plan. See Other Funds section of this budget document – Upper Trinity Conservation Trust Page #236 (Description) and Page #267 (Budget).</i></p>
Goal:	<p>As appropriate, assist with the implementation and activities of the newly established Coordinating Committee to help champion the Denton County Greenbelt Plan.</p> <p>Results / Reference(s): Denton County Greenbelt Plan – UTCT (Link) <i>See Other Funds section of this budget document – Upper Trinity Conservation Trust Page #236 (Description) and Page #267 (Budget).</i></p>
Initiative: Participation in the State of Texas’ Clean Rivers Program	
Goal:	<p>Continue participation in the state’s Clean Rivers Program administered by the Trinity River Authority and perform quarterly sampling to monitor water quality trends in local creeks to help focus watershed protection activities.</p> <p>Results / Reference(s): Watershed Protection Program - UTRWD (Link) <i>Quarterly payments are made to the Trinity River Authority through the District’s Watershed Protection Program and quarterly sampling is completed. See Other Funds section of this budget document – Watershed Protection Program, Page #234 (Description) and Page #240 (Budget).</i></p>

EDUCATIONAL ITEMS

Initiative: Nancy Tam Water-Wise Demonstration Garden and Rich Lubke Community Garden	
Goal:	<p>Continue to promote the Nancy Tam Water-Wise Demonstration Garden and the Rich Lubke Community Garden - - for educational purposes with schools, garden clubs, landscapers, member cities and water conservation - - and watershed protection.</p> <p>Results / Reference(s): Our Conservation Garden - UTRWD (Link) <i>See Introduction section of this budget document – Organizational Profile, (Rich Lubke Community Organic Garden), Page #27.</i> <i>See Other Funds section of this budget document – Water Conservation Program, Page #234 (Description) and Page #241 (Budget).</i></p>
Initiative: Water Conservation Goals	
Goal:	<p>To help achieve on-going water conservation goals, take steps to increase visibility, understanding and implementation of the District’s overall water conservation program.</p> <p>Results / Reference(s): MAR2024_Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #9 reflecting approval for the Executive Director to enter into appropriate purchasing agreements from Sigler communications and certain media outlets, for advertising related to the District’s Water Conservation and Watershed Protection education and outreach programs.</i> Save Outdoors - UTRWD (Link) Conserving Water - UTRWD (Link) Water Efficient Lawn and Garden Care for North Texas- UTRWD Pub 2020.pdf (ctfassets.net) (Link) <i>See Introduction section of this budget document – Organizational Profile, (Water Conservation Program), Page #s 27 - 28.</i> <i>See Budget Overview section of this budget document – Operating Budgets (List of new positions created for FY 2025, reflecting a new Irrigation Specialist funded by the Water Conservation Program (RTWS), Page #36.</i></p>

Initiative: Promotion of District’s Water Conservation and Watershed Protection Programs	
Goal:	<p>Work with local schools, teachers, and others to promote the District’s water conservation and watershed programs (including EnviroScape).</p> <p>Results / Reference(s): MAR2024 Minutes.pdf (ctfassets.net) (Link) <i>Agenda Item #9 reflecting approval for the Executive Director to enter into appropriate purchasing agreements from Sigler communications and certain media outlets, for advertising related to the District’s Water Conservation and Watershed Protection education and outreach programs.</i> Teacher Resources - UTRWD (Link) School Outreach and Education Resources info sheet.pdf (ctfassets.net) (Link) Teacher/Student Resources - UTRWD (Link) <i>Agenda Item #5B to reflect the purchase of a new Stream Erosion Trailer to be used as an education and outreach tool to improve the District’s efforts to teach watershed management, stream hydrology, and erosion control.</i> <i>See Introduction section of this budget document – Organizational Profile, (Watershed Protection Program), Page #26.</i> <i>See Introduction section of this budget document – Organizational Profile, (Water Conservation Program), Page #s 27 – 28.</i></p>
Initiative: Water / Wastewater Operations Internships	
Goal:	<p>Continue to partner with local community colleges to provide internships for students enrolled in water/wastewater certification programs.</p> <p>Results / Reference(s): <i>The Human Resources Department worked with Operations Directors and Managers to determine the need for interns. An agreement was renewed with one junior college that offers the internship program, and the District continues to work with other junior colleges to develop future internship program agreements.</i> <i>See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – 2024, (Wastewater Internship Program), Page #164.</i></p>
Initiative: Internships for District On-Going Activities and Programs	
Goal:	<p>Continue to develop college internship program by attempting to recruit top talent at highly regarding universities in respective career fields to support on-going District activities and programs.</p> <p>Results / Reference(s): 03-24 JUN Agenda.pdf (utrwd.com) (Link) <i>Work Session Item A – Presentation of Summer Interns.</i> <i>The Human Resources Department coordinated with the Engineering / Construction / Operations / Business departments to provide six interns to work with the District throughout the Summer 2024.</i> <i>See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – 2024, (Summer Intern Program), Page #164.</i> <i>See Operating Funds Detail section of this budget document – Administration Fund, Performance Measures, (Engineering and Business Internships), Page #164.</i></p>

Initiative: District Apprenticeship Program – Electronic Technicians	
Goal:	<p>Begin development of an apprenticeship program with technical schools including North Central Texas College (NCTC) within North Texas for the District’s Electronic Technician positions</p> <p>Results / Reference(s): <i>This is an ongoing project for the District.</i></p>
Initiative: Promotion of District Career Opportunities	
Goal:	<p>Begin participation in high school career days and participate in college job fairs within the area.</p> <p>Results / Reference(s): <i>The District participated in the Lewisville Independent School District’s Career Out Program that allowed the District to host high school juniors and seniors and share career insights to help students make informed decisions about their futures by job-shadowing for a day. Currently, District staff are developing a high school vocational program with the Denton Independent School District.</i> <i>See Operating Funds Detail section of this budget document – Administration Fund, Accomplishments for FY 2023 – 2024, (New Employment Outreach), Page #165.</i></p>
Initiative: Homeowner Irrigation Educational Opportunities	
Goal:	<p>In cooperation with Customer entities, develop a program to educate homeowners, especially those moving into a new home, on how to properly operate their irrigation system, to comply with the District’s recommended twice-per-week watering schedule to avoid watering between 10 a.m. to 6 p.m. practices.</p> <p>Results / Reference(s): Water Less, Y’all - UTRWD (Link) <i>Promotion of the District’s Water Management Strategy to member cities and utilities</i></p>

LONG RANGE FINANCIAL PLAN

Every September (since 2011), District staff has provided a five-year projection of anticipated financial information for the Regional Treated Water System to its Board of Directors. This projection includes the upcoming fiscal year for which a budget is being presented for adoption, as well as four additional fiscal years. This financial summary is intended to assist its Members and Customers with setting their water service budgets and financial projections. The attached financial summary reflects the following data for the five-year period for fiscal years 2025 – 2029:

- Estimated Blended Rate Impacts
- Total Operating Revenues and Expenditures
- Capital Improvement Program Expenditures
- Projected Debt Issues
- Annual Debt Service
- Annual Cash Basis Debt Coverage Ratios (CBDCR)
- Contributions to Reserves
- Annual Contracted Subscriptions
- Annual projected Raw and Treated water flows to System participants
- Raw Water usage and rate assumptions
- Variable rate financing conversions to long-term debt
- Electricity and Chemical rates and inflation percentage assumptions
- Annual Personnel cost inflators and additional staffing assumptions
- Annual Administration and Maintenance Fund allocation cost inflator assumptions

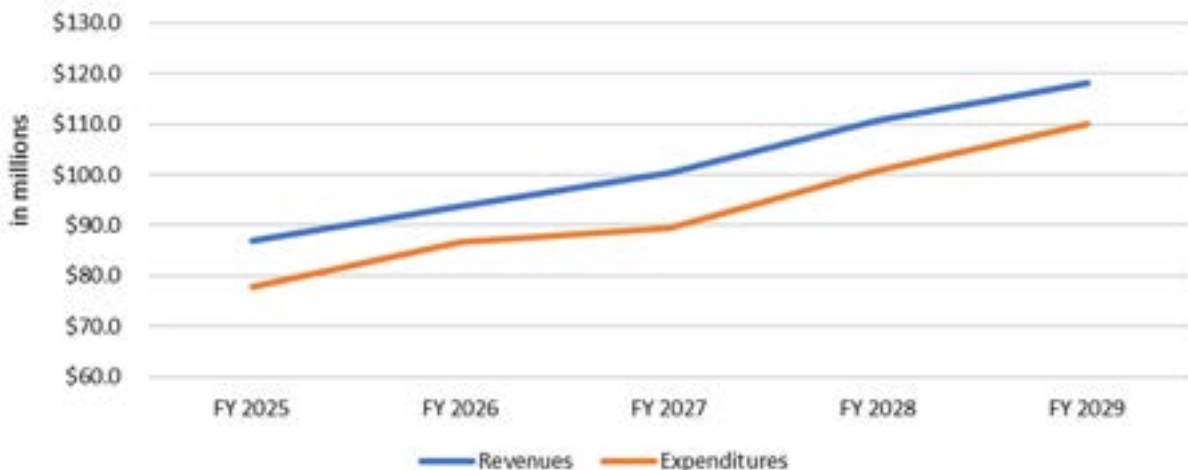
RTWS FIVE-YEAR FINANCIAL PLAN

The financial plan determines rate impacts in line with our financial policies, while providing a path towards attaining our strategic goals. The RTWS Five-Year Plan achieves the following:

- Rates are set to recover all costs and yield adequate net revenues to meet reserve and debt requirements.
- O&M Reserve remains fully funded and contributions to other Reserves and Programs are maintained.
- Projected debt issuances maintain a Cash Basis Debt Coverage Ratio of at least 1.15.
- Considers the financial requirements of the District’s Strategic Initiatives (shown in the Strategic Goals section of this document) including, but not limited to:
 - Accounting for anticipated water supply needs.
 - Providing adequate funding for various Capital projects.
 - Utilizing funding sources that help minimize rate impacts.
 - Continuing to fund Water Conservation and Watershed Protection programs.

Five Year Pro-Forma Forecast	\$ in Millions				
	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Estimated Blended Rate Impact	6.10%	5.75% - 6.25%	5.25% - 5.75%	5.25% - 5.75%	5.25% - 5.75%
Demand Revenues	\$ 53.21	\$ 56.39	\$ 62.89	\$ 69.71	\$ 76.80
Volume Revenues	25.85	28.78	30.33	32.44	33.99
Contract Payments, Loan Repayments, Interest & Other Revenues	3.39	2.84	1.66	1.82	2.02
Operating Revenue Subtotal	\$ 82.45	\$ 88.01	\$ 94.88	\$ 103.97	\$ 112.81
Interfund Transfers (from Operations)	4.47	5.69	4.05	4.05	2.05
Contributions from Lake Ralph Hall Reserve	0.00	0.00	1.35	2.70	3.28
Operating Revenues	\$ 86.92	\$ 93.70	\$ 100.28	\$ 110.72	\$ 118.14
Operating Expenses	\$ 38.43	\$ 44.61	\$ 45.86	\$ 50.20	\$ 52.00
Debt Service	39.38	41.97	43.68	50.63	57.91
Total Expenses	\$ 77.81	\$ 86.58	\$ 89.54	\$ 100.83	\$ 109.91
Net Revenues from Operations before Transfers to Reserves	\$ 9.11	\$ 7.12	\$ 10.74	\$ 9.89	\$ 8.23
Transfers Out to Reserves from Excess Working Capital					
Non-Bond Capital Reserve	\$ -	\$ 0.50	\$ 1.00	\$ 1.00	\$ 1.00
I&S Reserve	-	-	2.00	-	-
Lake Ralph Hall Reserve	-	2.50	3.20	4.50	3.00
Lake Ralph Hall Reservoir Operating Reserve	-	1.00	1.00	1.00	1.00
Carbon Replacement Reserve	-	1.00	1.00	1.00	1.00
Total Transfers Out to Reserves from Excess Working Capital	\$ -	\$ 5.00	\$ 8.20	\$ 7.50	\$ 6.00
Net Revenues from Operations After Transfers to Reserves (Excess W/C)	\$ 9.11	\$ 2.12	\$ 2.54	\$ 2.39	\$ 2.23
Cash Basis Debt Coverage Ratio (1.15 Minimum per District Policy)	1.22	1.16	1.24	1.20	1.16
Estimated Subscriptions (MGD)	99.14	99.94	103.79	107.59	110.69
Estimated Flows (MGD)	44.88	46.42	48.03	49.89	51.47
CIP Expenditures	\$ 389.07	\$ 266.44	\$ 167.79	\$ 85.28	\$ 46.32

RTWS Projected Revenues and Expenditures



ASSUMPTIONS

RAW WATER SOURCE RATES & QUANTITIES

The District will utilize the following Sources in MGD:

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Dallas Water Utilities	29.47	24.54	20.23	20.67	19.16
City of Denton	-	5.00	5.00	5.00	5.00
Chapman Lake	11.50	10.50	10.50	10.50	11.50
Reuse	5.75	6.25	8.25	8.75	9.75
Lake Ralph Hall	-	2.00	6.00	7.00	8.00

Dallas Water Utilities and City of Denton each reflect a 7.20% per 1,000-gallon rate increase for FY 2025, a 12% rate increase for FY 2026 and an 8% annual rate increase thereafter. Chapman Lake reflects a 4% annual rate increase for Transportation in addition to \$100K in FY 2025 and \$300K per year from FY 2026 to FY 2029 for differences between Budgeted and Actual expenses incurred by the City of Irving.

Reuse flows are budgeted at 50% of Chapman Lake and Lake Ralph Hall flows. These flows are returned to Lake Lewisville through District wastewater plants.

TREATED WATER RATES

The City of Denton provides treated water for Krum and Sanger. This rate includes a 105% rate increase in FY 2025 and a 4% increase in FY 2026 through FY 2029.

ELECTRICITY RATES

The Plants utilize different Electric providers. The Taylor Plant has contracts in place through May 2027, while Harpool participates in an electric cooperative. The following rate changes per kWh are anticipated:

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Taylor Plant	-	-	16.7%	50.0%	35.0%
Harpool Plant	6.0%	10.0%	10.0%	10.0%	10.0%

CHEMICALS

Includes a 6% increase in FY 2025 followed by a 5% annual increase through FY 2029.

PERSONNEL

Includes a 5% annual increase through FY 2029. FY 2025 includes funding for 50% of a new Process Controls Analyst position. An additional \$200K is included in FY 2026 and FY 2027 for new water operator positions. \$100K is included in FY 2029 for an additional water operator position.

PLANT EQUIPMENT, MAINTENANCE, AND MATERIALS

FY 2025 includes a 36% increase. Subsequent years include a 4% annual increase.

LAKE RALPH HALL OPERATING EXPENSES

O&M expenses for the phased in operation of the Lake Ralph Hall begin in FY 2026 (\$550K). FY 2027 represents a full year of expenses at \$1.25M, increasing to \$1.45M in FY 2028 and \$1.55M in FY 2029.

RESERVE / PROGRAM CONTRIBUTIONS

- Watershed Protection Program - \$0.02 per 1,000 gallons for FY 2025 through FY 2029
- Water Conservation Program - \$0.02 per 1,000 gallons for FY 2025 through FY 2029
- Future Water Program - \$0.02 per 1,000 gallons for FY 2025 through FY 2029
- Capital Replacement Reserve - \$0.12 per 1,000 gallons continues FY 2025 through FY 2027, increasing to \$0.13 in FY 2028 and \$0.14 in FY 2029
- Raw Water Pond Dredging Reserve - \$0.01 per 1,000 gallons for FY 2025 through FY 2029
- Lake Ralph Hall Reserve - Deposits made from net revenues to offset future debt service
- Lake Ralph Hall Reservoir Operating Reserve - Deposits made from net revenues to offset future operating costs of the Lake
- Non-Bond Capital Reserve - Deposits made from net revenues to fund future CIP projects
- Carbon Replacement Reserve - Deposits made from net revenues to fund future carbon filter replacements

MAINTENANCE FUND ALLOCATION

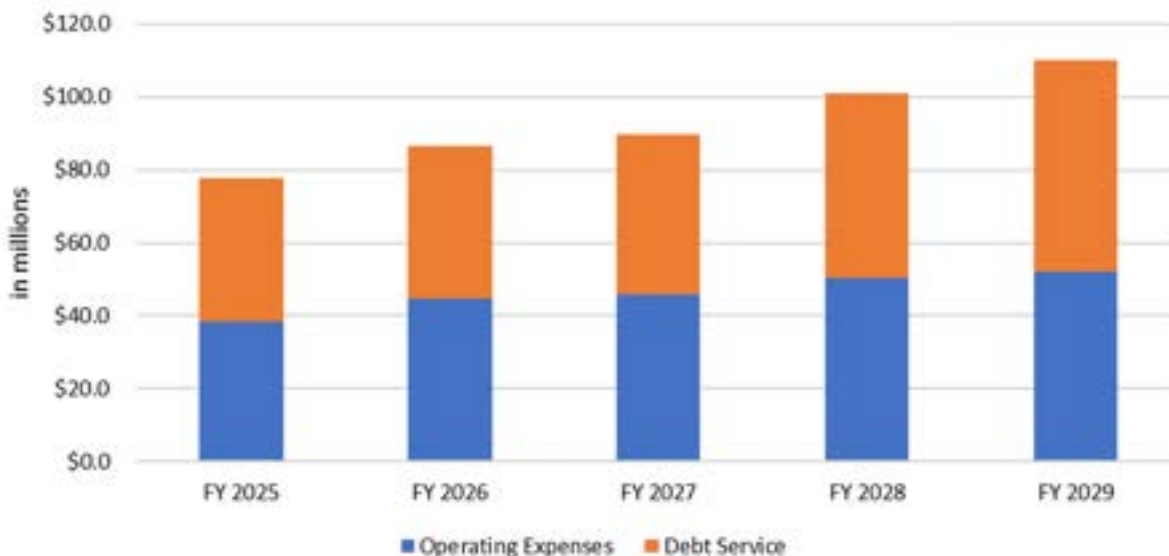
FY 2025 allocation based on 46.5% of the adopted Maintenance budget. This increases 5% annually, with funding for additional Maintenance Staff in FY 2026 through FY 2028.

ADMINISTRATION AND INFORMATION TECHNOLOGY FUND ALLOCATION

This includes a 5% Annual Increase for FY 2026 through FY 2029. Also includes funding for a security camera system upgrade at District facilities.

DEBT SERVICE

Debt Service is the largest driver of projected annual costs for the Regional Treated Water System as the majority of the Capital Improvement Program is funded by debt issuances. The following graph shows the proportion of Operating Expenses and Debt Service.



Debt Service (**Interest Only Payments**) related to Lake Ralph Hall includes the following Board Participation issues:

Series	Amount	Debt Service Terms
S2015	\$15.6M	Payback increases to 100% (FY 2026)
S2019	\$30.0M	Payback increases annually to 40% (FY 2026), 55% (FY 2027), 70% (FY 2028), and 85% (FY 2029)
S2020	\$120.0M	Payback increases annually to 30% (FY 2026), 40% (FY 2027), 55% (FY 2028), and 70% (FY 2029)
S2021	\$135.5M	Payback increases annually to 20% (FY 2026), 30% (FY 2027), 40% (FY 2028), and 55% (FY 2029)
S2022	\$110.0M	Payback increases annually to 20% (FY 2026 & FY 2027), 30% (FY 2028), and 40% (FY 2029)
S2023	\$48.0M	No Debt Service through FY 2026; then to 20% (FY 2027 & FY 2028) and 30% (FY 2029)
S2024	\$260.6M	No Debt Service through FY 2027; then to 20% (FY 2028 & FY 2029)
S2025	\$60.2M	No Debt Service through FY 2028; then to 20% (FY 2029)

This also includes the following Deferred Interest Funding (**Principal and Interest Payments**) issues for the Lake Ralph Hall Project:

Series	Amount	Debt Service Terms
S2015	\$29.1M	Debt Service ranging from \$1.6M - \$2.0M per year over 22 years

Debt Service (**Interest Only Payments**) includes the following Board Participation issuances to fund 75% of the Harpool RWTP Northeast Transmission Pipeline, Ph 1 & 2 (514N):

Series	Amount	Debt Service Terms
S2021	\$10.6M	Payback increases annually to 20% (FY 2026), 30% (FY 2027), 40% (FY 2028), and 55% (FY 2029)
S2022	\$9.1M	Payback increases annually to 20% (FY 2026 & FY 2027), 30% (FY 2028), and 40% (FY 2029)
S2023	\$4.7M	No Debt Service through FY 2026; then to 20% (FY 2027 & FY 2028) and 30% (FY 2029)
S2024	\$4.7M	No Debt Service through FY 2027; then to 20% (FY 2028 & FY 2029)

Debt Service (**Interest Only Payments**) includes the following Board Participation issuances to fund 80% of the Harpool RWTP Northeast Transmission Pipeline, Ph 3 (515N):

Series	Amount	Debt Service Terms
S2023	\$5.8M	No Debt Service through FY 2026; then to 20% (FY 2027 & FY 2028) and 30% (FY 2029)
S2024	\$10.2M	No Debt Service through FY 2027; then to 20% (FY 2028 & FY 2029)
S2025	\$13.3M	No Debt Service through FY 2028; then to 20% (FY 2029)
S2026	\$11.4M	No Debt Service through FY 2029

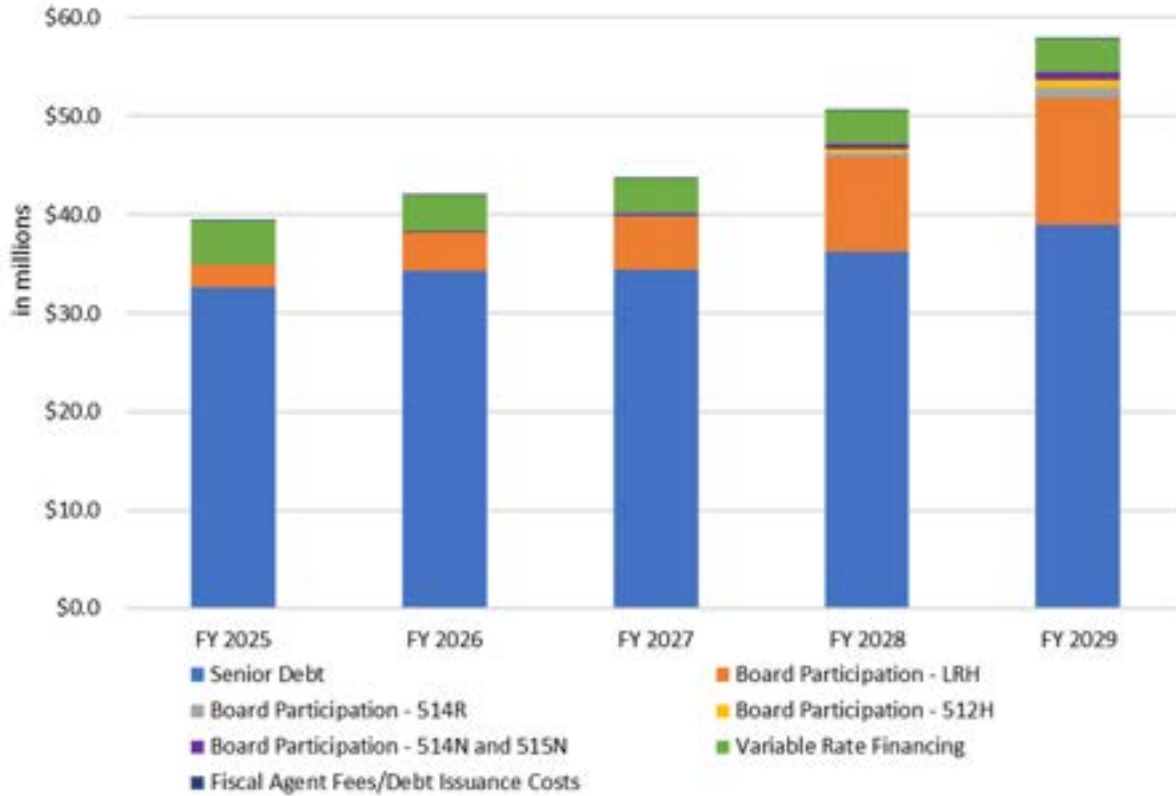
Debt Service (**Interest Only Payments**) includes the following Board Participation issuances to fund up to 80% of the Taylor RWTP Expansion, Ph 3 (514R):

Series	Amount	Debt Service Terms
S2023	\$18.08M	No Debt Service through FY 2026; then to 20% (FY 2027 & FY 2028) and 30% (FY 2029)
S2024	\$22.32M	No Debt Service through FY 2027; then to 20% (FY 2028 & FY 2029)
S2025	\$48.22M	No Debt Service through FY 2028; then to 20% (FY 2029)
S2026	\$45.64M	No Debt Service through FY 2029
S2027	\$5.75M	No Debt Service through FY 2029

Debt Service (**Interest Only Payments**) includes the following Board Participation issuances to fund 80% of the Harpool RWTP Phased Treatment Expansion, Ph 2 (512H):

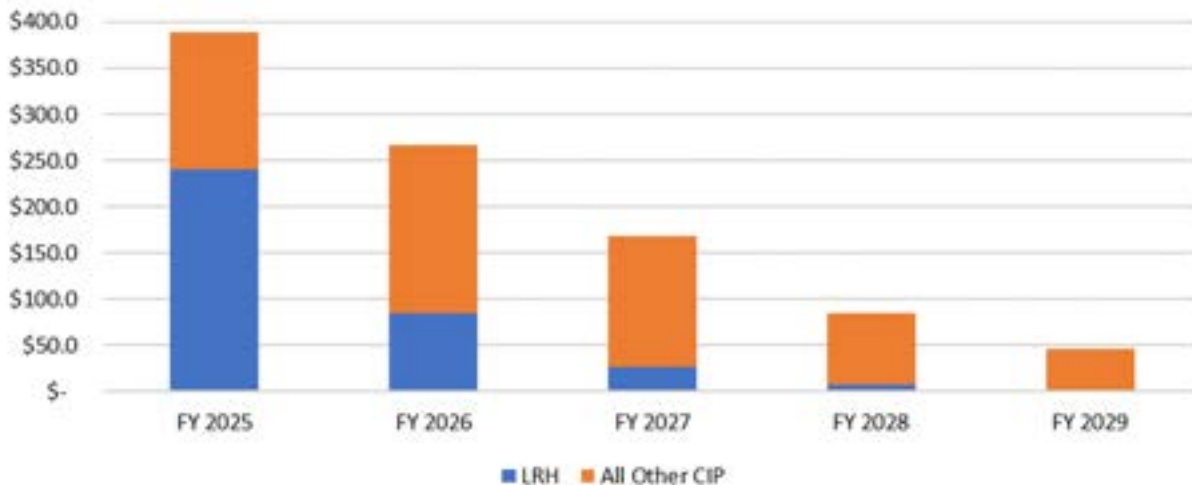
Series	Amount	Debt Service Terms
S2024	\$40.0M	No Debt Service through FY 2027; then to 20% (FY 2028 & FY 2029)
S2025	\$40.0M	No Debt Service through FY 2028; then to 20% (FY 2029)
S2026	\$40.0M	No Debt Service through FY 2029
S2027	\$32.0M	No Debt Service through FY 2029
S2028	\$10.0M	No Debt Service through FY 2029

Other debt service includes revenue bonds (senior lien debt) issued to convert variable rate financing (Direct Purchase notes) to long-term debt with \$73M in FY 2025; \$35M in FY 2026; \$35M in FY 2027; \$45M in FY 2028; and \$25M in FY 2029. The following graph shows the anticipated debt service obligations over the five-year period:



CAPITAL IMPROVEMENT PROGRAM (CIP)

The following graph shows the anticipated CIP expenditures. Since the Lake Ralph Hall project represents a significant portion of CIP expenditures, it is shown separately. With the Lake Ralph Hall project anticipated to be substantially completed in FY 2026, CIP expenditures reduce significantly.



FUND SUMMARY

The Upper Trinity Regional Water District (UTRWD) provides treated and non-potable water, water reclamation, and household hazardous waste disposal services to its member and customer entities located in southern Denton and southwestern Collin counties. These services are accounted for separately in Enterprise Funds and receive support services from Internal Service Funds such as the Administration, Information Technology (IT), and Maintenance Funds. These Enterprise Funds (Operating Systems), along with Internal Service Funds, constitute UTRWD's Operating Budget.

100% of Maintenance expenditures are allocated monthly to the Administration Fund, Lakeview Regional Water Reclamation System, Non-Potable Water System, Northeast Regional Water Reclamation System, Peninsula Water Reclamation Plant, and Regional Treated Water System, based on a percentage of work orders completed by the Maintenance Department (from the prior fiscal year) for each Operating System.

100% of Information Technology Fund expenses are allocated to the Administration Fund, then 95% of all Administration expenses are allocated monthly to all Operating Systems and active capital improvement projects.

Additionally, each Operating System contains its own reserve accounts (e.g., O&M Reserve, Capital Replacement Reserve, Plant Permitting Reserve) in which contributions to and transfers from are completed. See next page for the District's various Operating funds and their associated reserves.

The Capital Improvement Program consists of construction cash reserves of each Operating System. The Regional Treated and Non-Potable Water Systems, Lakeview and Northeast Regional Water Reclamation Systems, and Peninsula Water Reclamation Plant, each have their own construction cash reserves where transactions from construction activities are accounted.

UTRWD's Engineering staff are accounted for in the Engineering Fund. Personnel expenditures are first directly expensed to active capital projects, with the remaining (indirect) expenses allocated proportionately, based on total expenses for each active capital improvement project.

The Growth Program and Project Development Fund work independently of the Operation Systems and each System's Capital Improvement Program. The Growth Program maintains a cash account that accounts for any District purchases of land and / or easements for potential future capital improvement projects. The Project Development Fund maintains a cash account that accounts for any preliminary design and / or engineering activities for potential future capital projects.

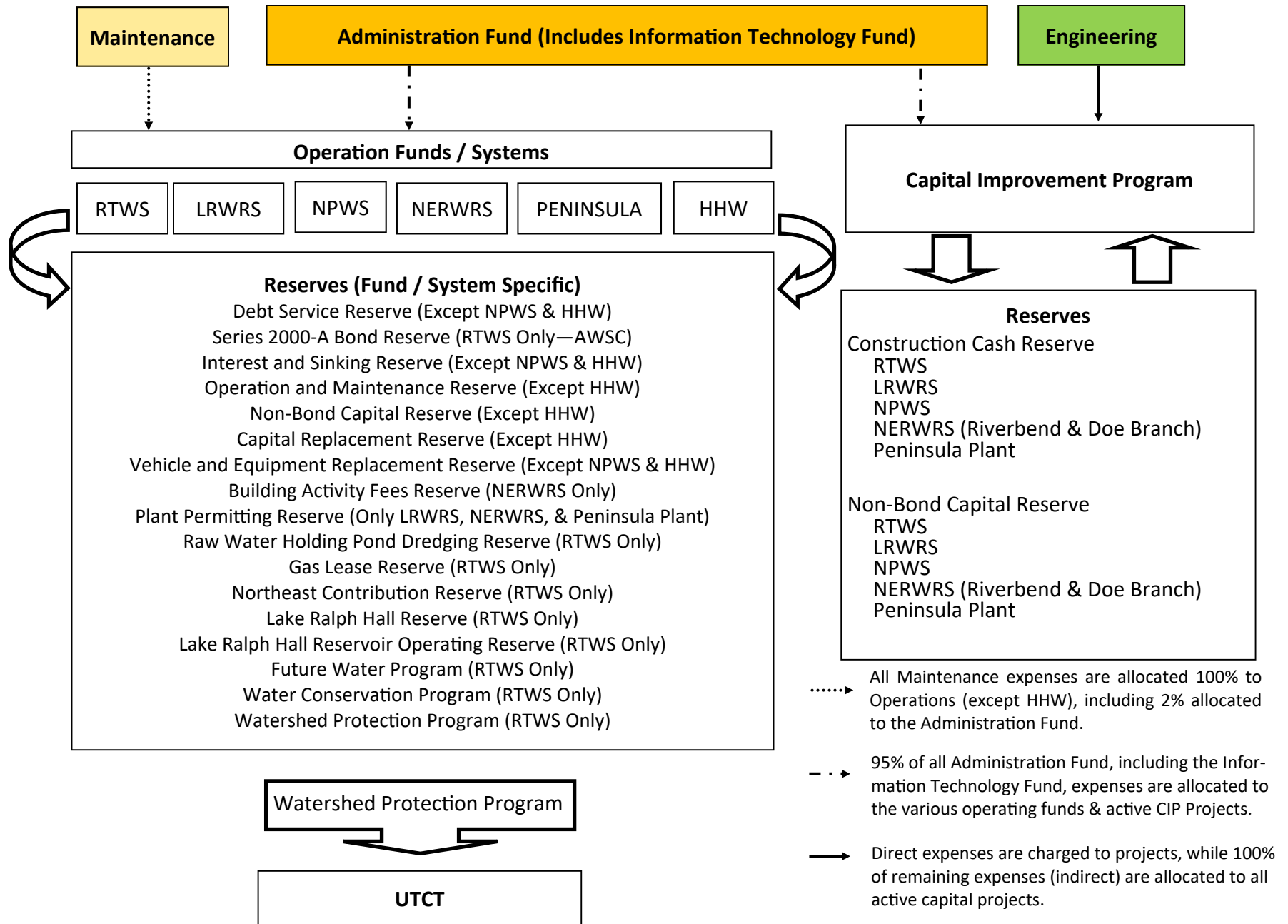
A flowchart that demonstrates the fund structure of the District is also included in this section.

DISTRICT FUNDS / SYSTEMS AND RELATED RESERVES

The following matrix reflects each category of District funds with their related reserve accounts:

Reserves	Operating Funds / Systems					
	Admin. / Information Technology Fund	Lakeview Regional Water Reclamation System	Non- Potable Water System	Northeast Regional Water Reclamation System	Peninsula Water Reclamation Plant	Regional Treated Water System
Debt Service Reserve		X	X	X	X	X
Series 2000-A Bonds Reserve (AWSC)						X
Interest and Sinking Reserve		X	X	X	X	X
Operating and Maintenance Reserve		X	X	X	X	X
Capital Replacement Reserve		X	X	X	X	X
Raw Water Pond Dredging Reserve						X
Watershed Protection Program						X
Water Conservation Program						X
Future Water Program						X
Lake Ralph Hall Reserve						X
Lake Ralph Hall Reservoir Operating Reserve						X
Northeast Contribution Reserve						X
Gas Lease Reserve						X
Non-Bond Capital Reserve		X	X	X	X	X
Plant Permitting Reserve		X		X	X	
Building Activity Fees Reserve				X		
Vehicle and Equipment Replacement Reserve		X		X	X	X
Construction Cash Reserve		X	X	X	X	X

UTRWD FUND AND RESERVE STRUCTURE



ALL OPERATING & CAPITAL FUNDS WITH RESERVES - COMBINED SUMMARY

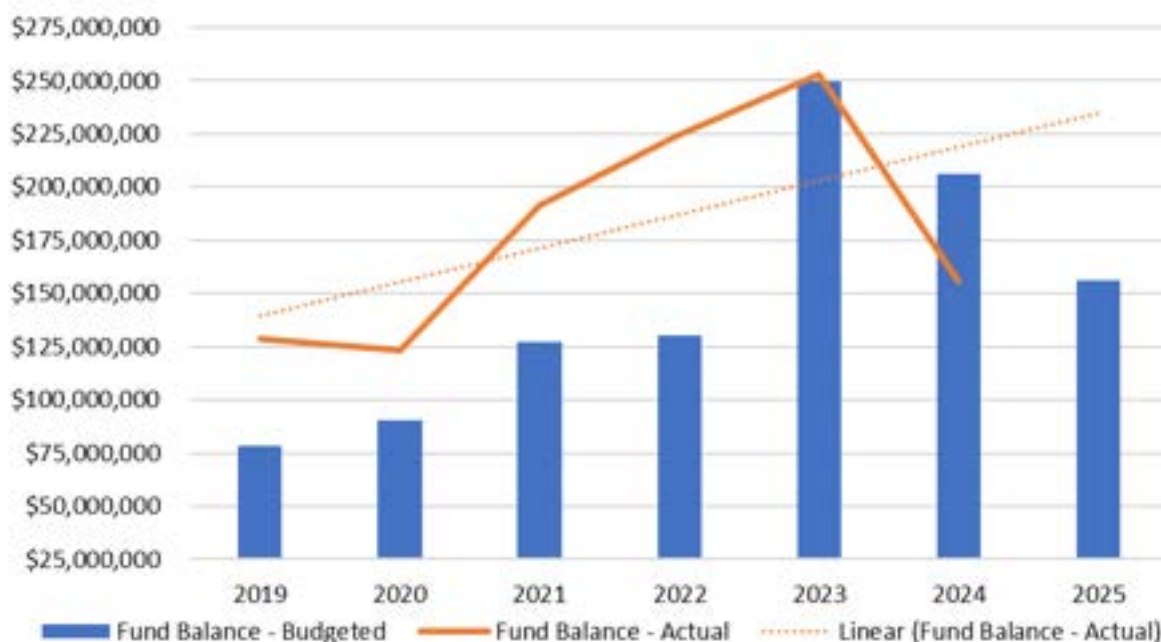
	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Beginning Fund Balance	\$ 224,351,598	\$ 254,752,212	\$ 253,131,781	\$ 155,727,171
Less: Transfers from Working Capital / Carryforwards *	\$ (13,805,224)	\$ (98,010,250)	\$ (148,312,085)	\$ (32,635,570)
BEGINNING FUND BALANCE Revised	\$ 210,546,374	\$ 156,741,962	\$ 104,819,696	\$ 123,091,601
Revenues				
Demand Charges	\$ 42,822,446	\$ 47,509,690	\$ 48,043,185	\$ 53,334,875
Capital Charges for Joint / Individual Facilities with Interim Finance Charges	6,914,881	6,605,940	6,472,695	9,010,500
Fixed O&M Costs for Joint Facilities	7,331,228	8,407,295	8,407,295	8,840,150
Fees for Administration and Planning	181,477	184,805	184,805	187,745
Contract Payments	269,812	267,570	267,570	741,515
Volume Revenues	23,136,861	22,827,520	23,599,875	25,857,860
Volume - Treated Effluent	50,427	67,820	49,295	61,335
Volume - Raw Water	13	4,130	2,125	4,445
Treatment and Transportation	6,199,514	6,593,410	7,576,220	7,698,735
Excess Flow Surcharge	-	-	148,200	-
Charges for Services (HHW)	20,526	22,330	33,970	22,330
Variable Rate Financing	52,305,000	86,300,000	108,000,000	97,500,000
Bond Proceeds	-	88,774,765	32,367,555	52,404,945
Texas Water Development Board				
SWIFT Deferred Interest Funds	2,717,087	-	-	-
SWIFT Board Participation Funds	176,800,508	118,950,000	63,947,050	290,780,290
SWIFT Subsidized Interest Funds	699,250	-	-	-
Reimbursements (Includes CIP Projects)	835,334	6,604,610	7,298,180	1,067,520
Contribution Sources	-	15,053,295	9,011,945	31,270,000
Conservation Symposiums	45	-	-	-
Watershed Partners Programs	4,575	3,875	3,775	3,875
Charitable Contributions	3,455	1,500	3,400	1,500
Grants	-	-	7,500	-
Building Activity Fees	4,200	4,250	4,150	4,250
Rental Revenues	134,217	95,190	122,885	107,980
Other Revenues (Includes Land & Easement Proceeds)	237,050	71,800	231,030	29,975
Interest Income	13,256,518	11,687,795	14,957,065	10,657,595
Total Revenues	\$ 333,924,424	\$ 420,037,590	\$ 330,739,770	\$ 589,587,420
Transfers In *	\$ 2,817,343	\$ 157,584,255	\$ 216,295,080	\$ 109,022,760
Total Revenues and Transfers In	\$ 336,741,767	\$ 577,621,845	\$ 547,034,850	\$ 698,610,180
Expenditures				
Administration Fund	\$ 318,948	\$ 342,935	\$ 325,050	\$ 353,500
Lakeview Regional Water Reclamation System	6,190,469	6,232,055	6,366,125	6,249,330
Non-Potable Water System	106,797	126,360	124,590	117,785
Northeast Regional Water Reclamation System	10,268,293	11,293,625	11,735,665	15,663,965
Peninsula Water Reclamation Plant	1,101,691	1,890,785	1,815,085	1,901,905
Regional Treated Water System	52,906,953	64,565,995	60,435,575	74,219,175
Household Hazardous Waste Program	26,977	37,045	45,680	37,710
Interest and Sinking Reserve	29,927,425	39,768,385	34,122,200	44,919,490
Capital Improvement Program	172,127,976	375,683,620	337,969,430	488,085,920
Vehicle and Equipment Replacement Reserve	17,640	-	1,976,045	125,000
Self-Insurance Reserve	2,139,355	2,936,070	2,578,980	2,633,850
Watershed Protection Program	296,361	280,500	311,500	291,675
Water Conservation Program	316,103	343,925	348,000	407,675
Future Water Program	250,412	343,000	317,950	435,000
Upper Trinity Conservation Trust	24,120	40,525	38,730	39,425
Project Development Fund	73,895	200,400	222,770	40,000
Refund to Prior Construction Contributions	-	933,385	883,890	-
Capital Facilities Equipment Reserve	-	275,655	-	-
Total Expenditures	\$ 276,093,415	\$ 505,294,265	\$ 459,617,265	\$ 635,521,405
Transfers Out *	\$ 18,062,945	\$ 23,112,615	\$ 36,510,110	\$ 29,731,110
Total Expenditures and Transfers Out	\$ 294,156,360	\$ 528,406,880	\$ 496,127,375	\$ 665,252,515
Net Revenues / (Expenses)	\$ 42,585,407	\$ 49,214,965	\$ 50,907,475	\$ 33,357,665
Ending Fund Balance	\$ 253,131,781	\$ 205,956,927	\$ 155,727,171	\$ 156,449,266

* Detail for these totals are found on the fund sheets located in the Debt Summary, Operating Fund Detail Summary, Other Funds, CIP Funds, Growth Program and Project Development sections of this budget manual.

HISTORICAL OPERATING AND CAPITAL FUNDS WITH RESERVES BALANCES

Fiscal Year	Fund Balance (Budgeted)	Fund Balance (Actual)
2019	\$ 78,348,390	\$ 128,892,408
2020	\$ 90,482,140	\$ 123,518,955
2021	\$ 127,342,073	\$ 191,317,306
2022	\$ 130,452,668	\$ 224,351,598
2023	\$ 249,912,406	\$ 253,131,781
2024	\$ 205,956,927	\$ 155,727,171*
2025	\$ 156,449,266	N/A

* - Estimate



The above annual ending fund balances are the result of transactions between all District operations, capital improvement programs, and internal reserves. The differences between budgeted and actual fund balances are caused primarily from the District's capital improvement program activities. For example, the Adopted FY 2019 Budget did not reflect receiving 100% of funding for the Doe Branch Plant Expansion, Phase 3 project. This difference alone increased the estimated FY 2019 overall fund balance of approximately \$24.0 million. Additionally, the FY 2024 Estimate is well below the Adopted FY 2024 Budget. This is because Board Participation funding initially planned for in FY 2024 was moved to FY 2025 to align with anticipated project expenditures. With a robust capital improvement program for FY 2025, fund balances are expected to decrease. For more explanation of the variances between ending cash balances referenced above, refer to the Debt Summary, Operating Fund Detail, Other Funds, and CIP Funds sections of this budget document.

OPERATING FUNDS COMBINED SUMMARY

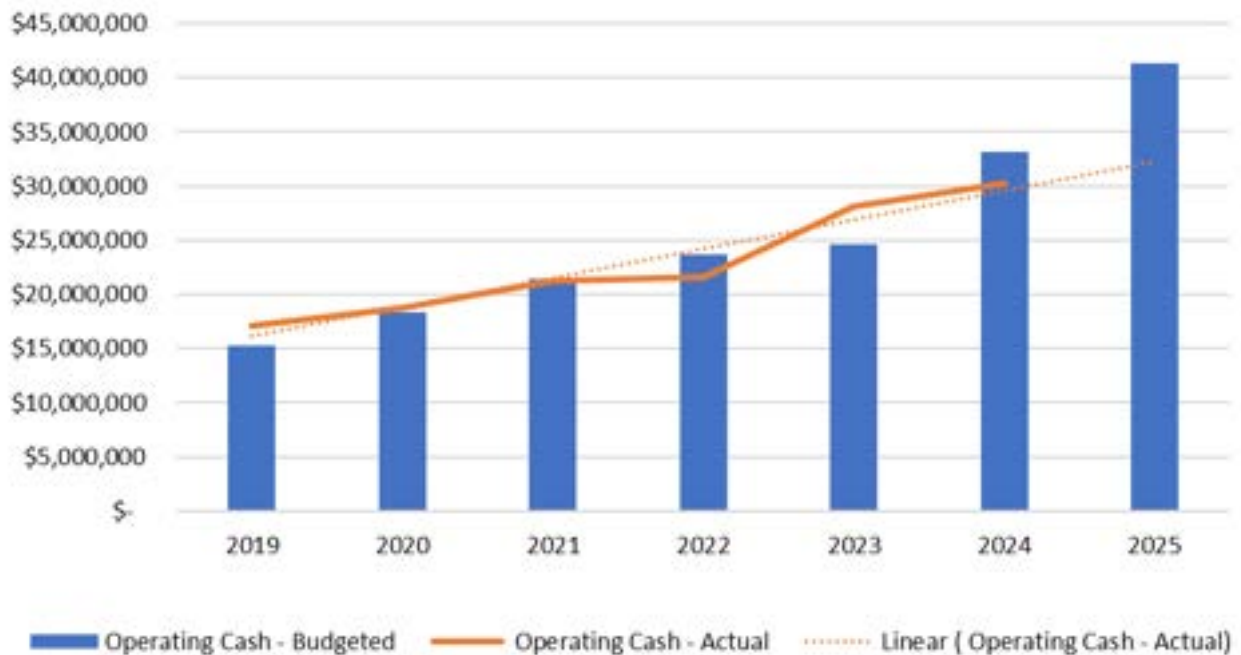
	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Beginning Balance (Operating Cash)	\$ 21,559,998	\$ 24,723,988	\$ 28,174,446	\$ 30,215,311
Less: Transfers from Working Capital *	(11,750)	(8,000)	(89,000)	(10,000)
BEGINNING BALANCE (Operating Cash) Revised	\$ 21,548,248	\$ 24,715,988	\$ 28,085,446	\$ 30,205,311
Revenues				
Fixed				
Demand Charges (RTWS and NPWS)	\$ 42,822,446	\$ 47,509,690	\$ 48,043,185	\$ 53,334,875
Capital Charges for Joint / Individual Facilities with Interim Finance Charges (Water Reclamation Systems)	6,914,881	6,605,940	6,472,695	9,010,500
Fixed O&M Costs for Jt. Facilities (Water Reclamation Systems)	7,331,228	8,407,295	8,407,295	8,840,150
Fees for Administration and Planning (Administration)	166,229	168,735	168,735	171,115
Contract Payments (RTWS)	269,812	267,570	267,570	741,515
Subtotal	\$ 57,504,596	\$ 62,959,230	\$ 63,359,480	\$ 72,098,155
Variable				
Volume Revenues (RTWS)	\$ 23,136,861	\$ 22,827,520	\$ 23,599,875	\$ 25,857,860
Volume - Treated Effluent (NPWS)	50,427	67,820	49,295	61,335
Volume - Raw Water (NPWS)	13	4,130	2,125	4,445
Treatment and Transportation (Water Recl. Systems)	6,199,514	6,593,410	7,576,220	7,698,735
Excess Flow Surcharge	-	-	148,200	-
Charges for Services (HHW)	20,526	22,330	33,970	22,330
Subtotal	\$ 29,407,341	\$ 29,515,210	\$ 31,409,685	\$ 33,644,705
Miscellaneous				
Rental Revenues	\$ 134,217	\$ 95,190	\$ 122,885	\$ 107,980
Other Revenues	237,050	71,800	231,030	29,975
Interest Income	2,689,124	2,907,815	3,716,625	3,430,125
Subtotal	\$ 3,060,391	\$ 3,074,805	\$ 4,070,540	\$ 3,568,080
Total Revenues	\$ 89,972,328	\$ 95,549,245	\$ 98,839,705	\$ 109,310,940
Transfers In *	\$ 1,227,204	\$ 1,818,755	\$ 3,740,950	\$ 5,394,785
Total Revenues and Transfers In	\$ 91,199,532	\$ 97,368,000	\$ 102,580,655	\$ 114,705,725
Expenditures (w/o Debt Service)				
Administration Fund	\$ 318,948	\$ 342,935	\$ 325,050	\$ 353,500
Lakeview Regional Water Reclamation System (LRWRS)	3,157,001	3,650,615	3,784,680	3,656,395
Non-Potable Water System (NPWS)	106,797	126,360	124,590	117,785
Northeast Regional Water Reclamation System (NERWRS)	6,377,109	7,094,845	7,528,990	8,320,390
Peninsula Water Reclamation Plant (PWRP)	1,030,197	1,819,850	1,744,150	1,827,160
Regional Treated Water System (RTWS)	29,480,455	32,213,780	30,131,295	34,838,745
Household Hazardous Waste Program (HHW)	26,977	37,045	45,680	37,710
Subtotal	\$ 40,497,484	\$ 45,285,430	\$ 43,684,435	\$ 49,151,685
Debt Service (Net of Capitalized Interest)				
Lakeview Regional Water Reclamation System	\$ 3,033,468	\$ 2,581,440	\$ 2,581,445	\$ 2,592,935
Northeast Regional Water Reclamation System	3,891,184	4,198,780	4,206,675	7,343,575
Peninsula Water Reclamation Plant (w/Fiscal Agent Fees)	71,494	70,935	70,935	74,745
Regional Treated Water System (w/ Variable Rate Financing)	23,426,498	32,352,215	30,304,280	39,380,430
Subtotal	\$ 30,422,644	\$ 39,203,370	\$ 37,163,335	\$ 49,391,685
Total Expenditures and Debt Service	\$ 70,920,128	\$ 84,488,800	\$ 80,847,770	\$ 98,543,370
Transfers Out *	\$ 13,653,206	\$ 4,450,025	\$ 19,603,020	\$ 4,984,005
Total Expenditures and Transfers Out	\$ 84,573,334	\$ 88,938,825	\$ 100,450,790	\$ 103,527,375
Net Revenues / (Expenses)	\$ 6,626,198	\$ 8,429,175	\$ 2,129,865	\$ 11,178,350
Ending Balance (Operating Cash)	\$ 28,174,446	\$ 33,145,163	\$ 30,215,311	\$ 41,383,661

* Detail for these totals are found in the Operating Fund Detail section of this budget manual.

HISTORICAL OPERATING FUND ENDING CASH BALANCES

Fiscal Year	Operating Cash Balance (Budgeted)	Operating Cash Balance (Actual)
2019	\$ 15,322,002	\$ 17,153,457
2020	\$ 18,370,369	\$ 18,752,701
2021	\$ 21,473,132	\$ 21,212,744
2022	\$ 23,662,121	\$ 21,559,998
2023	\$ 24,651,224	\$ 28,174,446
2024	\$ 33,145,163	\$ 30,215,311*
2025	\$ 41,383,661	N/A

* - Estimate



The District’s ending operating cash balances have steadily increased since FY 2019. Occasionally, working capital generated from the prior fiscal year is transferred to reserves and is in excess of any current fiscal year working capital increase. Excess working capital is determined for each Operating System to be the amount of ending cash at the end of a fiscal year that exceeds the calculated amount of 45 days of a particular Operating System’s subsequent fiscal year total amended budget amount, plus up to a 5% contingency amount (based on the new total amended budget for that Operating System). At mid-year of each fiscal year, the Board of Directors is given a list of identified excess working capital amounts (by Operating System), as well as recommended amounts to be transferred to the Operating System’s reserves. Fund balance results are as follows:

FY 2019 OPERATING RESULTS

- The actual operating cash ending balance versus the budgeted operating cash ending balance yielded an increase of \$1.83 million. This increase includes transferring \$5.76 million of excess working capital (from FY 2018 results) to various District System reserves.
- FY 2019 actual operating revenues exceeded budgeted revenues by approximately \$1.97 million due to higher than projected interest income, as well as higher wastewater flows treated in the District's wastewater systems. The District's wastewater systems, notably the Northeast Regional Water Reclamation System and the Peninsula Water Reclamation Plant, have been experiencing tremendous growth over the last several years. However, actual treated water sales (Regional Treated Water System) were lower than budgeted sales by approximately \$0.75 million due largely to higher rainfall experienced in the District's service area.

FY 2020 OPERATING RESULTS

- The actual operating cash ending balance versus the budgeted operating cash ending balance yielded an increase of \$0.38 million. This increase includes transferring \$7.25 million of excess working capital (from FY 2019 results) to various District System reserves.
- FY 2020 actual operating revenues exceeded budgeted revenues by approximately \$1.92 million due to higher than projected water and wastewater flows treated in the District's systems.

FY 2021 OPERATING RESULTS

- The actual operating cash ending balance versus the budgeted operating cash ending balance yielded a decrease of \$0.26 million after transferring \$8.23 million of excess working capital (from FY 2020 results) to various District System reserves.
- FY 2021 actual operating revenues exceeded budgeted revenues by approximately \$0.26 million due to higher than projected water and wastewater flows treated in the District's systems.

FY 2022 OPERATING RESULTS

- The actual operating cash ending balance versus the budgeted operating cash ending balance yielded a decrease of \$2.10 million. This includes transferring \$10.24 million of excess working capital (from FY 2021 results) to various District System reserves.
- FY 2022 actual operating revenues exceeded budgeted revenues by approximately \$4.87 million due to higher than projected water and wastewater flows treated in the District's systems.

FY 2023 OPERATING RESULTS

- The actual operating cash ending balance versus the budgeted operating cash ending balance yielded an increase of \$3.52 million. This includes transferring \$9.11 million of excess working capital (from FY 2022 results) to various District System reserves (including reimbursements for prior CIP projects).
- FY 2023 actual operating revenues exceeded budgeted revenues by approximately \$6.33 million due to higher than projected Interest Revenues, water and wastewater flows (Treatment and Volume Revenues), and unexpected subscription increases (Demand Revenues) in the Regional Treated Water System.

FY 2024 OPERATING RESULTS

- The FY 2024 estimated operating cash ending balance is projected to decrease by approximately \$2.93 million due to transferring approximately \$15.12 million of excess working capital (savings from FY 2023 budgeted expenses versus actual results) to various District System reserves.
- FY 2024 estimated operating revenues are projected to exceed budgeted revenues by \$5.21 million due to higher than projected water and wastewater flows, unexpected subscription increases in the Regional Treated Water System and higher interest earnings. Additionally, Transfers In from the Vehicle and Equipment Replacement Reserve were used to offset the purchase of previously leased vehicles due to canceling a vehicle lease program.

FY 2025 OPERATING RESULTS

- The FY 2025 budgeted operating cash ending balance is projected to increase by \$11.17 million from the estimated FY 2024 operating cash ending balance.
- FY 2025 rates and charges for the operating systems were established to yield a \$11.17 million budget surplus due to outstanding and projected new debt service associated with the District's capital improvement program budget and for increases to fixed operating expenses. This surplus also provides for a cash basis debt coverage ratio for the four District systems that will exceed the District's minimum coverage amount of 1.15. The District's Debt Policy sets a cash basis debt coverage ratio "goal" for District systems with outstanding debt of 1.25 to 1.35 on all debt (Net Operating Revenues divided by Net Total Debt Service), with a minimum of 1.15, unless reaching this minimum ratio would result in financial hardship on the District's member / customer entities.

DEBT SUMMARY

Upper Trinity utilizes a variety of sources to finance the Capital Improvement Program. Funding for capital projects falls primarily into long-term financing obligations consisting of both Senior and Junior lien debt. Other funding methods include use of rate revenues / cash from operations, as well as contributions from District participants and customers.

SENIOR LIEN DEBT

Senior lien financing is comprised of Revenue Bonds and certain Texas Water Development Board (TWDB) Funding. State Water Implementation Fund for Texas (SWIFT) Deferred Interest and Subsidized Interest Loans are considered Senior Lien Debt.

JUNIOR LIEN DEBT

Junior lien financing consists of TWDB Board Participation / State Participation Funding, as well as variable rate financing.

VARIABLE RATE FINANCING

The District maintains a Short-Term Financing program for the Regional Treated Water System. In October 2022, the Board authorized a \$75.00 million Direct Purchase Program with PNC Bank to replace the Commercial Paper Program. This Direct Note Purchase Program was a short-term financing tool in which the bank provides immediate liquidity in the form of a loan and remains the holder of all the loan notes issued. In October 2023, the Board approved entering into a Variable Rate Program (line of credit) with Wells Fargo Bank and increasing the authorized amount to \$100.00 million. Additionally, It is anticipated that this program will further be increased to \$125.00 million in FY 2025.

DEBT SERVICE RESERVES

DEBT SERVICE RESERVE

To account for financial resources as required by District bond covenants. Upon issuance of bonds, the District is required to deposit into this reserve an amount needed so that the total accumulated balance of this reserve is maintained at an amount equal to the average annual debt service requirements on all Senior Lien bonds, including outstanding parity bonds.

SERIES 2000-A BONDS DEBT RESERVE

To account for \$575,843 received from the Argyle Water Supply Corporation (AWSC) for fiscal years 2019 and 2020. These annual payments represent a “buy-out” of the District’s ownership percentage of an elevated storage tank and related facilities, funded via issuance of Series 2000-A Revenue Bonds. These funds are to be retained in this reserve and shall be applied as an offset (Transfer-In) to the annual debt service in fiscal years 2021 through 2025 (the five final years of debt service for the original Series 2000-A Revenue Bonds).

INTEREST AND SINKING RESERVE

To account for financial resources used for the payment of annual and/or semi-annual interest and principal amounts as required by District bond covenants. Deposits are made monthly so that funds equal to the required debt service payments are accumulated by the time payments are due.

BOND RATINGS

The District maintains good communication with bond rating agencies about its financial condition. As of September 2024, the District's Systems have the following bond ratings:

	Standard & Poor's	Moody's
Regional Treated Water System	A+	A1
Lakeview Regional Treated Water System	A+	A2
Northeast Regional Water Reclamation System	AA-	-
Peninsula Water Reclamation	AA+	-

DEBT COVERAGE

In accordance with the District's Debt policies, FY 2025 rates and charges are established to achieve a goal coverage ratio of 1.25 to 1.35 on all debt (Cash Basis Debt Coverage Ratio), but with a minimum of 1.15. The Cash Basis Debt Coverage Ratio (CBDCR) and the Additional Bonds Test Coverage Ratio (ABTCR) are shown below for the District's systems with outstanding debt:

	CBDCR	ABTCR
Regional Treated Water System	1.22	2.62
Lakeview Regional Treated Water System	1.26	3.80
Northeast Regional Water Reclamation System	1.15	1.33
Peninsula Water Reclamation	4.39	8.05

REGIONAL TREATED WATER SYSTEM

SENIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2013 (Refunding) – \$16.55 million bond issue to refund future principal maturities of a previous bond issue from 2004 (\$22.99 million - used to construct the Tom Harpool RWTP and associated treated water pipelines).

Series 2015 (Refunding) – \$48.36 million bond issue to convert \$18.0 million of Commercial Paper (used for various capital projects including the Harpool RTWP) to long-term debt and \$34.33 million to refund the FY 2016 principal payment (\$705,000) for the 2004 bond issue (\$22.99 million – see prior note regarding Series 2013 Refunding Bonds), as well as future maturities of the Series 2005 bond issue (\$43.84 million issue - used to refund future maturities of previous bond issues from 1999 (\$15.61 million used to construct multiple capital projects, including the Northeast and Southwest pipelines and the expansion of the Taylor RWTP from 20 to 70 mgd, Series 2000A of \$25.50 million used for continued expansion of the Taylor RWTP and northeast and southwest pipelines, and the Series 2001 bonds of \$20.06 million used for the continued construction of the aforementioned projects, as well as the planning and design of the Harpool RWTP, a 20 mgd water treatment plant to provide service to the northern portion of the District's water system.

Series 2016 (Refunding) – \$33.59 million bond issue to refund future principal maturities (\$9.72 million) of previously issued refunding bonds from 2006 of \$25.69 million (originally used to refund the 1998 bond issue that refunded the original issues from 1993 of \$2.75 million, 1994 of \$3.45 million, 1995 of \$4.71 million, and 1996 of \$15.14 million, that were all used for the construction of the Taylor RWTP and associated pipelines), and from 2007 (\$26.70 million) originally used to refinance \$22.00 million of Commercial Paper issued for the initial phase of the Harpool RWTP and treated water pipelines.

Series 2017 (Commercial Paper Conversion) – \$18.05 million bond issue to convert Commercial Paper (used for various capital projects, including Lake Ralph Hall). These bonds have a 25-year term, except for the portion used for the Lake Ralph Hall project, which has a 30-year term.

Series 2018 TWDB SWIFT Subsidized Bonds – \$7.59 million TWDB (SWIFT Subsidized Interest Funding) issue for initial funding of the Parallel Pipeline from the Taylor RWTP to the Stone Hill Pump Station project.

Series 2019 TWDB SWIFT Subsidized Bonds – \$18.64 million TWDB (SWIFT Subsidized Interest Funding) issue to continue with the Parallel Pipeline project.

Series 2019A (Commercial Paper Conversion) – \$19.71 million bond issue to convert \$20.00 million of Commercial Paper (used for various capital projects, including Lake Ralph Hall) and have a 30-year term.

Series 2020 (Refunding) – \$12.19 million issue to refund future maturities of the Series 2010 and Series 2010A bond issues that were issued to refund the Series 1999, Series 2000B, and Series 2001 bond issues that were originally issued to construct expansion of the Taylor RWTP (from 20 to 70 mgd), construction of a ground storage tank and pipeline extension to serve Mustang SUD, Celina, and other fresh water supply districts in the northeast service area, and construction of the northeast and southwest pipelines. The Series 2010A bonds were issued to repurchase the Series 1993, 1994, 1995, and 1996 State

Participation bonds held by the TWDB, that were originally issued to construct the initial stage of the Taylor RWTP (20 mgd), as well as raw and treated water pipelines representing the first generation of the District's water system.

Series 2020A TWDB SWIFT Subsidized Bonds – \$15.84 million issue for the completion of the Parallel Pipeline project.

Series 2020B TWDB SWIFT Deferred Bonds – \$15.00 million issue to provide funding for engineering and design services for the future Lake Ralph Hall.

Series 2021 (Refunding) – \$40.02 million bond issue to convert \$30.00 million of Commercial Paper. This also includes the refunding of \$5.90 million for Series 2008 bonds issued for initial planning and permitting efforts for the Lake Ralph Hall project and \$6.50 million for Series 2012 bonds used to construct a variety of capital projects including raw and treated water pipelines and renovations to the District's Administration building).

Series 2022 (Refunding) – \$43.97 million bond issue to convert \$21.79 million of Commercial Paper to long-term debt. This also includes the refunding of \$22.18 million for Series 2012A bonds used for various capital projects including the Harpool RWTP and to repurchase (refund) outstanding bonds held by the TWDB from 1999, originally issued to expand the Taylor RWTP from 20 to 70 mgd.

Series 2023 (Direct Purchase Conversion) – \$30.45 million bond issue to convert short-term debt used for various capital projects to long-term debt.

Series 2024 (Variable Rate Debt Conversion) – \$66.00 million bond issue to convert Variable Rate debt used for various capital projects to long-term debt.

Series 2025 (Direct Purchase Conversion) – Preliminary \$78.07 million bond issue to convert Variable Rate Debt used for various capital projects to long-term debt. Debt service for this issue is anticipated to begin in mid-FY 2025.

JUNIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2015 TWDB Board Participation Bonds – \$15.57 million funding for the purchase of land and easements for the future Lake Ralph Hall. Interest-only payments began in FY 2019 and increase gradually through FY 2025. Full interest-only payments last from FY 2026 through FY 2028, with payback of portions of previously deferred interest included from FY 2029 through FY 2035. Principal and interest payments are scheduled for FY 2036 through FY 2050.

Series 2019 TWDB Board Participation Bonds – \$30.00 million used for land purchases and mitigation activities for the Lake Ralph Hall project. Interest-only payments begin FY 2023 and increase gradually through FY 2029. Full interest-only payments last from FY 2030 through FY 2032, with payback of portions of previously deferred interest included from FY 2033 through FY 2039. Principal and interest payments are scheduled for FY 2040 through FY 2054.

Series 2020 TWDB Board Participation Bonds – \$120.00 million used for land purchases, mitigation, and construction activities for the Lake Ralph Hall project. Interest-only payments begin FY 2024 and increase gradually through FY 2030. Full interest-only payments last from FY 2031 through FY 2033, with payback

of portions of previously deferred interest included from FY 2034 through FY 2040. Principal and interest payments are scheduled for FY 2041 through FY 2055.

Series 2021 TWDB Board Participation Bonds – \$135.50 million used for construction activities (\$120.5 million) and land acquisition activities (\$15.0 million) for the Lake Ralph Hall project. Interest-only payments begin FY 2025 and increase gradually through FY 2031. Full interest-only payments last from FY 2032 through FY 2034, with payback of portions of previously deferred interest included from FY 2035 through FY 2041. Principal and interest payments are scheduled for FY 2042 through FY 2056.

Series 2021A TWDB Board Participation Bonds – \$10.61 million used for easement purchases and construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 project. This will be the first tranche of four issues through FY 2025. Interest-only payments begin FY 2025 and increase gradually through FY 2031. Full interest-only payments last from FY 2032 through FY 2034, with payback of portions of previously deferred interest included from FY 2035 through FY 2041. Principal and interest payments are scheduled for FY 2042 through FY 2056.

Series 2022 TWDB Board Participation Bonds – \$110.00 million used for construction activities for the Lake Ralph Hall project. Interest-only payments begin FY 2026 and increase gradually through FY 2032. Full interest-only payments last from FY 2033 through FY 2035, with payback of portions of previously deferred interest included from FY 2036 through FY 2042. Principal and interest payments are scheduled for FY 2043 through FY 2057.

Series 2022 TWDB Board Participation Bonds – \$9.10 million used for construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 project. This will be the second tranche of four issues through FY 2025. Interest-only payments begin FY 2026 and increase gradually through FY 2032. Full interest-only payments last from FY 2033 through FY 2035, with payback of portions of previously deferred interest included from FY 2036 through FY 2042. Principal and interest payments are scheduled for FY 2043 through FY 2057.

Series 2023 TWDB Board Participation Bonds – \$48.00 million used for construction activities for the Lake Ralph Hall project. Interest-only payments begin FY 2027 and increase gradually through FY 2033. Full interest-only payments last from FY 2034 through FY 2036, with payback of portions of previously deferred interest included from FY 2037 through FY 2043. Principal and interest payments are scheduled for FY 2044 through FY 2058.

Series 2023 TWDB Board Participation Bonds – \$4.71 million used for construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 project. This will be the third tranche of four issues through FY 2025. Interest-only payments begin FY 2027 and increase gradually through FY 2033. Full interest-only payments last from FY 2034 through FY 2036, with payback of portions of previously deferred interest included from FY 2037 through FY 2043. Principal and interest payments are scheduled for FY 2044 through FY 2058.

Series 2023 TWDB Board Participation Bonds – \$5.81 million used for construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 3 project. This will be the first tranche of four issues through FY 2027. Interest-only payments begin FY 2027 and increase gradually through FY 2033. Full interest-only payments last from FY 2034 through FY 2036, with payback of portions of previously deferred interest included from FY 2037 through FY 2043. Principal and interest payments are scheduled for FY 2044 through FY 2058.

Series 2023 TWDB Board Participation Bonds – \$18.08 million used for construction activities for the Taylor RWTP Expansion, Phase 3 project. This will be the first tranche of five issues through FY 2028. Interest-only payments begin FY 2027 and increase gradually through FY 2033. Full interest-only payments last from FY 2034 through FY 2036, with payback of portions of previously deferred interest included from FY 2037 through FY 2043. Principal and interest payments are scheduled for FY 2044 through FY 2058.

Series 2024 TWDB Board Participation Bonds – Preliminary \$260.62 million used for construction activities for the Lake Ralph Hall project. Interest-only payments begin FY 2028 and increase gradually through FY 2034. Full interest-only payments last from FY 2035 through FY 2037, with payback of portions of previously deferred interest included from FY 2038 through FY 2044. Principal and interest payments are scheduled for FY 2045 through FY 2059.

Series 2024 TWDB Board Participation Bonds – Preliminary \$4.71 million used for construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 project. This will be the fourth and final tranche for the project. Interest-only payments begin FY 2028 and increase gradually through FY 2034. Full interest-only payments last from FY 2035 through FY 2037, with payback of portions of previously deferred interest included from FY 2038 through FY 2044. Principal and interest payments are scheduled for FY 2045 through FY 2059.

Series 2024 TWDB Board Participation Bonds – Preliminary \$10.24 million used for construction activities for the Harpool RWTP Northeast Transmission Pipeline, Phase 3 project. This will be the second tranche of four issues through FY 2027. Interest-only payments begin FY 2028 and increase gradually through FY 2034. Full interest-only payments last from FY 2035 through FY 2037, with payback of portions of previously deferred interest included from FY 2038 through FY 2044. Principal and interest payments are scheduled for FY 2045 through FY 2059.

Series 2024 TWDB Board Participation Bonds – Preliminary \$22.32 million used for construction activities for the Taylor RWTP Expansion, Phase 3 project. This will be the second tranche of five issues through FY 2028. Interest-only payments begin FY 2028 and increase gradually through FY 2034. Full interest-only payments last from FY 2035 through FY 2037, with payback of portions of previously deferred interest included from FY 2038 through FY 2044. Principal and interest payments are scheduled for FY 2045 through FY 2059.

Series 2024 TWDB Board Participation Bonds – Preliminary \$40.00 million used for construction activities for the Harpool RWTP Expansion, Phase 2 project. This will be the first tranche of five issues through FY 2029. Interest-only payments begin FY 2028 and increase gradually through FY 2034. Full interest-only payments last from FY 2035 through FY 2037, with payback of portions of previously deferred interest included from FY 2038 through FY 2044. Principal and interest payments are scheduled for FY 2045 through FY 2059.

VARIABLE RATE FINANCING

In prior years, the District utilized Commercial Paper and a Direct Purchase Program as its variable rate financing. Currently, Wells Fargo Bank provides variable rate financing. Approximately \$76.34 million of variable rate financing utilized in FY 2025 with fees and interest expenses projected at \$4.35 million. Projected draws total \$97.5 million to provide a buffer due to the timing of Board Participation issuances.

Variable Rate Financing Balances	\$ in Millions
Estimated Outstanding Balance 9-30-24	\$73.50
Projected Draws	\$97.50
Projected Conversion to Long-Term Debt	(\$73.00)
Projected Outstanding Balance 9-30-25	\$98.00

SCHEDULE OF REQUIREMENTS

Series	Description	TIC *	Maturity	Principal	Interest	Total
2013	Revenue Bonds (Refunding)	3.11%	2030	\$ 1,190,000	\$ 240,095	\$ 1,430,095
2015	Revenue Bonds (Refunding)	3.06%	2044	3,190,000	846,380	4,036,380
2015	TWDB Board Participation Bonds	3.50%	2050	-	531,850	531,850
2015	TWDB SWIRFT Bonds	2.15%	2045	905,000	1,049,050	1,954,050
2016	Revenue Bonds (Refunding)	2.27%	2032	1,820,000	511,700	2,331,700
2017	Revenue Bonds (CP Conversion)	3.31%	2047	505,000	512,825	1,017,825
2018	TWDB SWIFT Subsidized Bonds	2.68%	2043	260,000	162,345	422,345
2019	TWDB SWIFT Subsidized Bonds	2.02%	2044	655,000	293,080	948,080
2019	TWDB Board Participation Bonds	3.38%	2054	-	303,970	303,970
2019A	Revenue Bonds (CP Conversion)	2.88%	2049	455,000	549,790	1,004,790
2020	Revenue Bonds (Refunding)	0.51%	2026	2,575,000	148,500	2,723,500
2020	TWDB Board Participation Bonds	2.56%	2055	-	674,045	674,045
2020A	TWDB SWIFT Subsidized Bonds	1.77%	2045	570,000	197,565	767,565
2021	Revenue Bonds (Refunding)	2.20%	2051	2,380,000	1,200,200	3,580,200
2021	TWDB Board Participation Bonds	2.79%	2056	-	64,740	64,740
2021	TWDB Board Participation Bonds	2.79%	2056	-	827,190	827,190
2022	Revenue Bonds (Refunding)	3.69%	2052	1,735,000	1,925,300	3,660,300
2023	Revenue Bonds (Refunding)	4.77%	2053	475,000	1,496,925	1,971,925
2024	Revenue Bonds (Refunding)	4.25%	2054	1,235,000	2,839,305	4,074,305
2025	Revenue Bonds (Refunding) **	4.85%	2055	894,875	1,770,250	2,665,125
Total				\$ 18,844,875	\$ 16,145,105	\$ 34,989,980

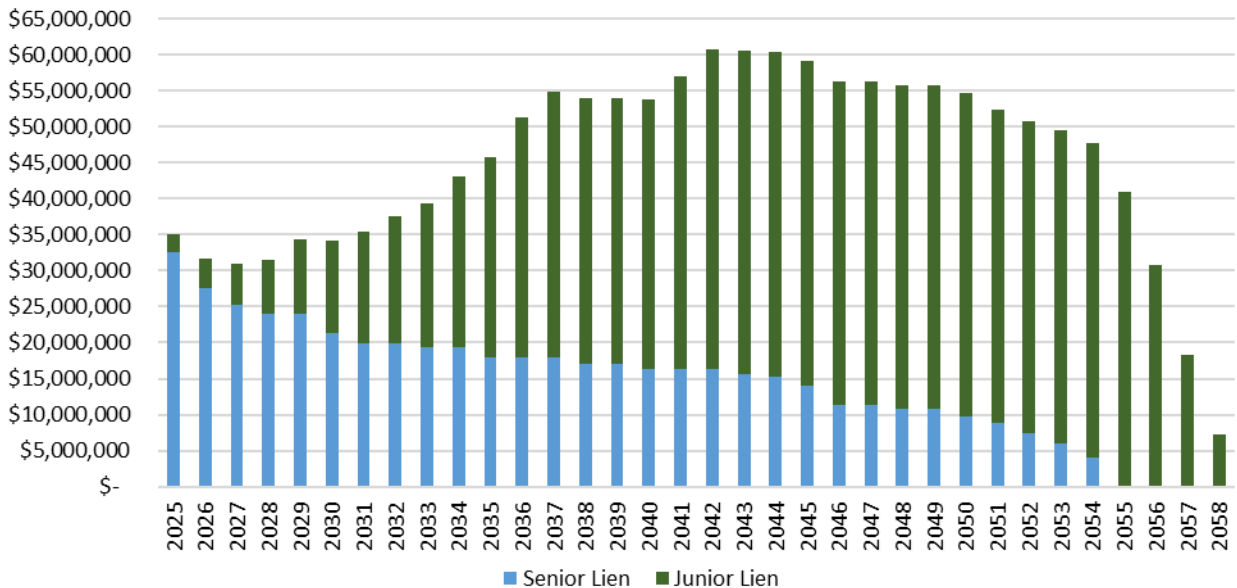
* True Interest Cost

** Estimated debt service. Bond issue projected for FY 2025.

This schedule represents the FY 2025 debt service payments due on each outstanding Regional Treated Water System bond issue. However, the 2025 debt issue includes \$78.07 million to convert Variable Rate debt to long-term debt. This debt service amount (\$2,665,125) is an estimate. For future debt issues during the five-year planning period (FY 2025 - FY 2029), refer to the Capital Improvement Program section as well as the Long-Range Financial Plan section of this budget document.

LONG-TERM DEBT INDEBTEDNESS TO MATURITY

Year	Senior Lien	Junior Lien	Total
2025	\$ 32,588,185 *	\$ 2,401,795	\$ 34,989,980
2026	27,647,285	4,093,090	31,740,375
2027	25,225,210	5,785,030	31,010,240
2028	24,088,335	7,468,060	31,556,395
2029	24,096,500	10,328,605	34,425,105
2030	21,347,120	12,902,875	34,249,995
2031	19,929,175	15,514,405	35,443,580
2032	19,924,200	17,620,400	37,544,600
2033	19,367,675	20,003,125	39,370,800
2034	19,373,930	23,719,060	43,092,990
2035	17,874,490	27,837,170	45,711,660
2036	17,885,675	33,380,020	51,265,695
2037	17,898,495	36,891,075	54,789,570
2038	17,043,345	36,894,435	53,937,780
2039	17,060,770	36,896,400	53,957,170
2040	16,280,435	37,516,205	53,796,640
2041	16,262,460	40,775,910	57,038,370
2042	16,265,430	44,434,520	60,699,950
2043	15,680,680	44,926,535	60,607,215
2044	15,255,515	45,068,120	60,323,635
2045	14,035,155	45,053,765	59,088,920
2046	11,259,985	45,056,365	56,316,350
2047	11,271,355	45,023,280	56,294,635
2048	10,779,105	44,989,145	55,768,250
2049	10,780,475	44,938,555	55,719,030
2050	9,779,240	44,910,355	54,689,595
2051	8,844,275	43,441,155	52,285,430
2052	7,363,540	43,436,860	50,800,400
2053	6,042,645	43,526,925	49,569,570
2054	4,075,845	43,615,735	47,691,580
2055	-	41,029,205	41,029,205
2056	-	30,836,520	30,836,520
2057	-	18,269,465	18,269,465
2058	-	7,221,250	7,221,250
Total	\$ 495,326,530	\$ 1,045,805,415	\$ 1,541,131,945



DEBT SERVICE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 12,070,305	\$ 13,240,305	\$ 12,123,835	\$ 16,518,260
REVENUES				
Deposits				
Series 2023 Refunding Bonds (\$30M Direct Purchase Notes)	-	-	1,272,315	-
Series 2024 Refunding Bonds (\$65M Direct Purchase Notes)	-	2,473,000	3,122,110	-
Series 2025 Refunding Bonds (\$73M Direct Purchase Notes)	-	-	-	3,600,500
Interest Income	611,451	415,100	692,995	660,000
TOTAL REVENUES	\$ 611,451	\$ 2,888,100	\$ 5,087,420	\$ 4,260,500
EXPENDITURES				
Transfer Out - Operations	557,921	415,100	692,995	660,000
TOTAL EXPENDITURES	\$ 557,921	\$ 415,100	\$ 692,995	\$ 660,000
ENDING CASH BALANCE 9/30	\$ 12,123,835	\$ 15,713,305	\$ 16,518,260	\$ 20,118,760

FY 2025 Ending Balance increase of \$4,405,455 is largely due to the projected conversion of \$73.00 million of outstanding Variable Rate Debt to long-term debt in FY 2025 and from the additional \$30.00 million conversion in FY 2024.
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SERIES 2000-A DEBT SERVICE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 344,845	\$ 229,845	\$ 229,845	\$ 114,845
Transfer to Operations	\$ (115,000)	\$ (115,000)	\$ (115,000)	\$ (114,845)
BEGINNING CASH BALANCE Revised	\$ 229,845	\$ 114,845	\$ 114,845	\$ -
REVENUES				
Transfer In - Working Capital	115,000	115,000	115,000	114,845
TOTAL REVENUES	\$ 115,000	\$ 115,000	\$ 115,000	\$ 114,845
EXPENDITURES				
Transfer Out - Operations	115,000	115,000	115,000	114,845
TOTAL EXPENDITURES	\$ 115,000	\$ 115,000	\$ 115,000	\$ 114,845
ENDING CASH BALANCE 9/30	\$ 229,845	\$ 114,845	\$ 114,845	\$ -

<p>FY 2025 Ending Balance decrease of \$114,845 is due to the scheduled transfer of accumulated funds received from Argyle Water Supply Corporation (AWSC) after purchasing their share of the Argyle Joint Ground Storage Tank (a joint-project between the District and AWSC), to operations for offsetting debt service from bond issues used to originally complete this project.</p>

INTEREST AND SINKING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 1,140,003	\$ 1,423,688	\$ 1,415,145	\$ 5,300,455
Transfer to Operations				\$ (1,621,400)
BEGINNING CASH BALANCE Revised				\$ 3,679,055
REVENUES				
Transfers In				
Operations	22,432,712	29,080,565	30,182,780	34,925,240
Working Capital	-	-	-	1,621,400
Interest Income	266,529	300,000	447,215	269,500
TOTAL REVENUES	\$ 22,699,241	\$ 29,380,565	\$ 30,629,995	\$ 36,816,140
EXPENDITURES				
Debt Service	22,424,099	29,080,565	26,744,685	34,925,240
Transfer Out - Operations	-	-	-	1,890,900
TOTAL EXPENDITURES	\$ 22,424,099	\$ 29,080,565	\$ 26,744,685	\$ 36,816,140
ENDING CASH BALANCE 9/30	\$ 1,415,145	\$ 1,723,688	\$ 5,300,455	\$ 3,679,055

FY 2025 Ending Balance increase of \$1,955,367 is largely due to a \$3,438,095 transfer of excess working capital from Operations in FY 2024 and utilizing \$1,890,900 to offset FY 2025 debt service.
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LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM

SENIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2012 (Refunding) – \$6.66 million bond issue to refund future principal maturities of a previous bond issue from 2001 (\$6.69 million - used to expand the treatment capacity of the Lakeview RWRP from 3.5 mgd to 5.0 mgd, as well as making other system improvements) and to repurchase outstanding State Participation bonds, held by the Texas Water Development Board (TWDB), from 1996 (\$1.40 million - used to make improvements to the Lakeview Regional Water Reclamation Plant). This issue has a 17-year term with the last payment due in FY 2028.

Series 2012A (Refunding) – \$16.25 million bond issue to refund future principal maturities of a previous bond issue from 2003 (\$7.30 million - used to construct a wastewater pipeline to transport flows from the DCFWSD #7 (Lantana), as well as a second pipeline to deliver flows from the City of Corinth to the Lakeview RWRP) and to repurchase outstanding State Participation bonds, held by the TWDB, from 1998 (\$8.70 million - used in conjunction with the 1996 TWDB State Participation bonds). This issue has a 16-year term with the final payment due in FY 2028.

Series 2014 (Refunding) – \$3.23 million bond issue to refund future principal maturities of a previous refunding bond issue from 2005 (\$5.16 million - used to refund future maturities of two previous bond issues of 1995A and 1995B of \$1.56 million and \$0.19 million, respectively, which were used to make additional improvements to the former Lake Cities Municipal Utilities Authority wastewater plant (conveyed to the District from LCMUA), to construct a joint pipeline and entry points for transporting flows), and additional funds of \$4.00 million to complete improvements to the Lakeview RWRP and to construct the Swisher Parallel Pipeline). This issue has a 16-year term with the final payment due in FY 2030.

Series 2015 – \$3.59 million bond issue for the completion of improvements at the Lakeview RWRP, as well as upgrades to System trunk mains and appurtenances. This issue has a 20-year term with the final payment due in FY 2035.

Series 2020 (Refunding) – \$3.92 million bond issue to refund future principal maturities of two previous refunding bond issues from (2006 and 2011) that also refunded earlier bond issues from 1996 (\$9.77 million - used to expand the treatment capacity of the LRWRP from 1.038 mgd to 3.5 mgd, as well as other system improvements) and 2011 (\$4.55 million - used to complete process improvements at the Lakeview RWRP, including the installation of new clarifier equipment and filtering technology). This issue has a 10-year term with the final payment due in FY 2030.

SCHEDULE OF REQUIREMENTS

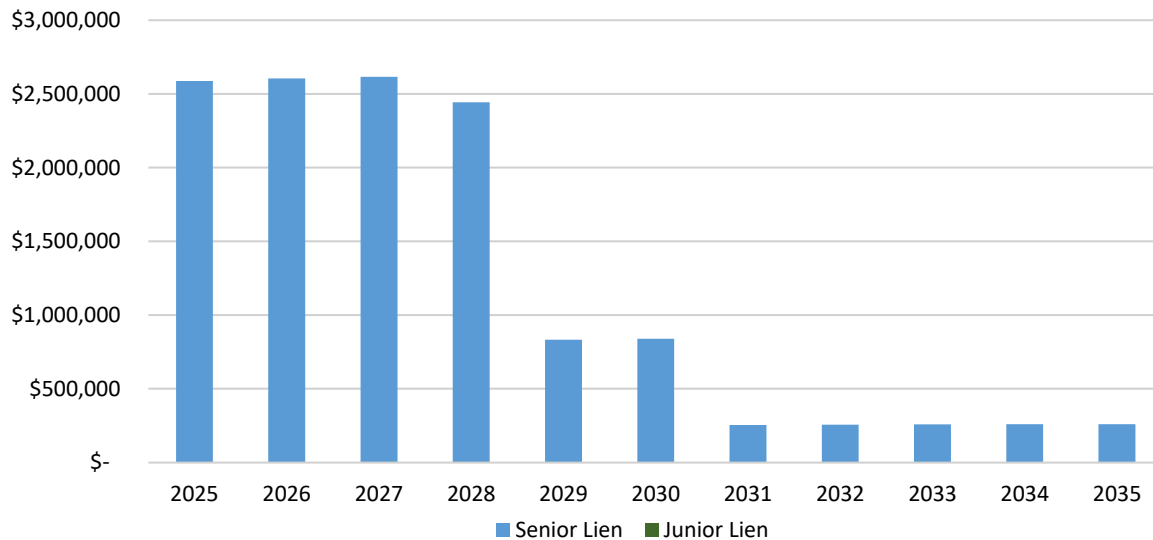
Series	Description	TIC *	Maturity	Principal	Interest	Total
2012	Revenue Bonds (Refunding)	2.91%	2028	\$ 130,000	\$ 20,450	\$ 150,450
2012A	Revenue Bonds (Refunding)	3.11%	2028	1,245,000	198,990	1,443,990
2014	Revenue Bonds (Refunding)	3.08%	2030	200,000	43,200	243,200
2015	Revenue Bonds	3.38%	2035	170,000	80,495	250,495
2020	Revenue Bonds (Refunding)	0.90%	2035	435,000	64,800	499,800
Total				\$ 2,180,000	\$ 407,935	\$ 2,587,935

* True Interest Cost

This schedule represents the FY 2025 debt service payments due on each outstanding Lakeview Regional Water Reclamation System bond issue. For future debt issues during the five-year planning period (FY 2025 - FY 2029), refer to the Capital Improvement Program section of this budget document.

LONG-TERM DEBT INDEBTEDNESS TO MATURITY

Year	Senior Lien	Junior Lien	Total
2025	\$ 2,587,935	\$ -	\$ 2,587,935
2026	2,604,380	-	2,604,380
2027	2,615,980	-	2,615,980
2028	2,443,175	-	2,443,175
2029	832,445	-	832,445
2030	838,895	-	838,895
2031	253,850	-	253,850
2032	256,500	-	256,500
2033	258,800	-	258,800
2034	259,600	-	259,600
2035	260,000	-	260,000
Total	\$ 13,211,560	\$ -	\$ 13,211,560



DEBT SERVICE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 2,184,391	\$ 2,184,391	\$ 2,194,078	\$ 2,194,078
REVENUES				
Interest Income	110,655	113,590	116,870	102,790
TOTAL REVENUES	\$ 110,655	\$ 113,590	\$ 116,870	\$ 102,790
EXPENDITURES				
Transfer Out - Operations	100,968	113,590	116,870	102,790
TOTAL EXPENDITURES	\$ 100,968	\$ 113,590	\$ 116,870	\$ 102,790
ENDING CASH BALANCE 9/30	\$ 2,194,078	\$ 2,184,391	\$ 2,194,078	\$ 2,194,078

INTEREST AND SINKING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 97,903	\$ 137,073	\$ 82,466	\$ 121,666
Transfer to Operations	\$ (15,437)			
BEGINNING CASH BALANCE Revised	\$ 82,466			
REVENUES				
Transfers In				
Operations	2,978,870	2,576,805	2,576,805	2,587,930
Working Capital	15,437	-	-	-
Interest Income	36,162	66,410	39,200	31,710
TOTAL REVENUES	\$ 3,030,469	\$ 2,643,215	\$ 2,616,005	\$ 2,619,640
EXPENDITURES				
Debt Service	3,030,469	2,576,805	2,576,805	2,587,930
TOTAL EXPENDITURES	\$ 3,030,469	\$ 2,576,805	\$ 2,576,805	\$ 2,587,930
ENDING CASH BALANCE 9/30	\$ 82,466	\$ 203,483	\$ 121,666	\$ 153,376

FY 2025 Ending Balance decrease of \$50,107 is largely due to lower than anticipated interest income in FY 2024 and lower I&S Reserve monthly contributions in FY 2023.

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM

SENIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2016 TWDB “D” Funds – \$11.56 million bond issue to refund a \$1.10 million loan from the Regional Treated Water System (Non-Bond Capital Reserve) originally used to fund the Process Improvements with a Side-Stream Treatment project at the Riverbend Plant. Additionally, a portion of this issue was to reimburse the Regional Treated Water System for a working capital loan of \$2.50 million, along with funding to begin the Riverbend Water Reclamation Plant Expansion, Phase 3 project. This issue has a 29-year term with Interest only payments through FY 2022, and Principal and Interest payments for FY 2023 - FY 2045.

Series 2017 TWDB “D” Funds – \$23.99 million bond issue used for the Riverbend Water Reclamation Plant Expansion, Phase 3. This issue has a 29-year term with Interest-only payments through FY 2022, with Principal and Interest payments for FY 2023 - FY 2045.

Series 2019 (Revenue and Refunding) – \$28.39 million bond issue to refund \$2.66 million of outstanding principal from the Series 2007 Riverbend Plant Revenue Bonds that were originally issued to repay System participants for their prior contributions to construct the Riverbend Plant, and to reimburse the Growth and Project Development Funds for the purchase of the Riverbend Plant site and other preliminary design expenses. Riverbend’s FY 2025 debt service amount of \$254,750 is for the portion of the Series 2019 bond issue used to refund the Series 2007 Revenue Bonds and has a term that matures in FY 2032. Additionally, a portion of the Series 2019 bond issue was used to refund \$10.05 million of outstanding principal from the 2014 Revenue Bonds, originally issued to fund the City of Celina's portion to construct the Doe Branch Plant. This issue also included \$11.08 million of new funding for the City of Celina's portion of the Doe Branch Plant Expansion, Phase 2 project, and \$4.61 million to fund excess plant capacity. Doe Branch’s FY 2025 debt service amount of \$1,761,575 is made up of \$765,475 (City of Celina's initial capacity in the construction of the Doe Branch Plant), \$701,575 (Celina's additional capacity), and \$294,525 (previous excess capacity now allocated to Celina and Prosper). The portion of the Series 2019 bond issue used to refund the Series 2014 bond issue has a term that matures in FY 2038, while the portion used to fund the phase 2 expansion of the Doe Branch Plant matures in FY 2048.

Series 2022 (Revenue) – \$10.68 million bond issue with \$2.14 million to be used for West Influent Pump Station and Dewatering Improvements at the Riverbend Plant and \$8.55 million for the Doe Branch Plant Expansion, Phase 3. The first two years of payments are funded by capitalized interest.

Series 2024 (Revenue) – \$27.34 million bond issue for the City of Celina’s subscribed capacity in the Doe Branch Plant Expansion, Phase 3 project. The first five years of payments are interest only.

Series 2024 (Revenue) – Preliminary \$11.79 million bond issue allocated between Providence Village and Mustang SUD providing funding for the West Influent Pump Station and Dewatering Improvements project at the Riverbend Plant.

Series 2025 (Revenue) – Preliminary \$37.98 million bond issue for the City of Celina’s share of the Phase 1, Parallel Interceptor and the Doe Branch Plant Expansion, Phase 3 projects. The first five years of payments are interest only and begin in FY 2026.

JUNIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2002 State Participation Funds – \$2.33 million bond issue from the Texas Water Development Board (TWDB) used in conjunction with system participant contributions for the construction of the NERWRS - Riverbend Plant and other system improvements.

SCHEDULE OF REQUIREMENTS

RIVERBEND PLANT

Series	Description	TIC *	Maturity	Principal	Interest	Total
2002	State Participation	5.71%	2035	\$ 120,000	\$ 101,815	\$ 221,815
2016	TWDB "D" Funds	3.30%	2045	350,000	359,740	709,740
2017	TWDB "D" Funds	3.89%	2045	500,000	884,555	1,384,555
2019	Revenue and Refunding Bonds	3.94%	2032	170,000	84,750	254,750
2022	Revenue Bonds	3.98%	2047	50,000	107,000	157,000
2024	Revenue Bonds **	4.85%	2049	340,000	476,510	816,510
Total				\$ 1,530,000	\$ 2,014,370	\$ 3,544,370

* True Interest Cost

** Estimated debt service. Bond issue projected for late 2024 (FY 2025).

DOE BRANCH PLANT

Series	Description	TIC *	Maturity	Principal	Interest	Total
2019	Revenue and Refunding Bonds	3.94%	2048	\$ 735,000	\$ 1,026,580	\$ 1,761,580
2022	Revenue Bonds	3.98%	2047	205,000	427,500	632,500
2024	Revenue Bonds **	4.27%	2054	-	1,393,125	1,393,125
Total				\$ 940,000	\$ 2,847,205	\$ 3,787,205

* True Interest Cost

** 5 year Interest only payments.

These schedules represent the FY 2025 debt service payments due on each outstanding Northeast Regional Water Reclamation System bond issue. For future debt issues during the five-year planning period (FY 2025 - FY 2029), refer to the Capital Improvement Program section of this budget document.

LONG-TERM DEBT INDEBTEDNESS TO MATURITY

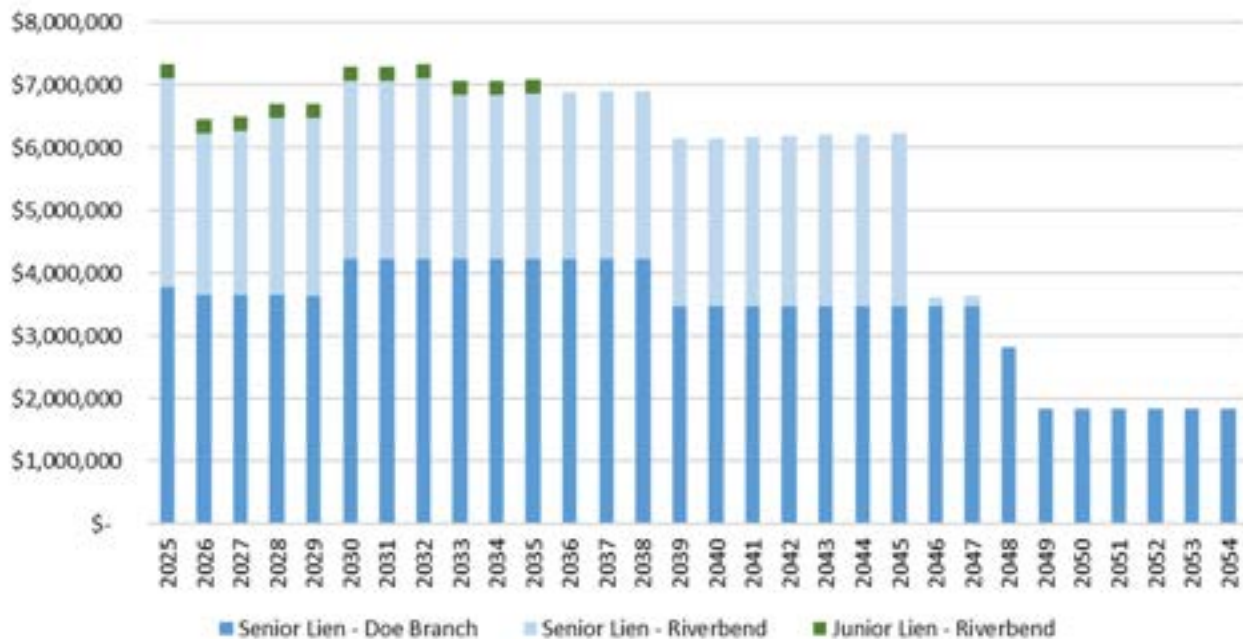
RIVERBEND PLANT

Year	Senior Lien	Junior Lien	Total
2025	\$ 3,322,555 *	\$ 221,815	\$ 3,544,370
2026	2,577,785	220,000	2,797,785
2027	2,615,415	222,900	2,838,315
2028	2,819,120	225,230	3,044,350
2029	2,833,430	221,925	3,055,355
2030	2,842,810	223,330	3,066,140
2031	2,852,780	219,160	3,071,940
2032	2,863,355	224,705	3,088,060
2033	2,604,610	224,390	2,829,000
2034	2,619,645	218,410	2,838,055
2035	2,635,770	222,140	2,857,910
2036	2,642,785	-	2,642,785
2037	2,662,405	-	2,662,405
2038	2,667,255	-	2,667,255
2039	2,679,930	-	2,679,930
2040	2,693,950	-	2,693,950
2041	2,709,140	-	2,709,140
2042	2,720,220	-	2,720,220
2043	2,731,715	-	2,731,715
2044	2,747,530	-	2,747,530
2045	2,763,610	-	2,763,610
2046	159,750	-	159,750
2047	157,500	-	157,500
Total	<u>\$ 57,923,065</u>	<u>\$ 2,444,005</u>	<u>\$ 60,367,070</u>

* Includes estimated debt service of \$816,510 for projected FY 2025 issue of \$11.79 million.

DOE BRANCH PLANT

Year	Senior Lien	Junior Lien	Total
2025	\$ 3,787,205	\$ -	\$ 3,787,205
2026	3,647,765	-	3,647,765
2027	3,648,265	-	3,648,265
2028	3,651,265	-	3,651,265
2029	3,641,515	-	3,641,515
2030	4,229,515	-	4,229,515
2031	4,220,265	-	4,220,265
2032	4,237,015	-	4,237,015
2033	4,233,265	-	4,233,265
2034	4,229,765	-	4,229,765
2035	4,233,290	-	4,233,290
2036	4,236,840	-	4,236,840
2037	4,238,340	-	4,238,340
2038	4,238,840	-	4,238,840
2039	3,471,640	-	3,471,640
2040	3,463,390	-	3,463,390
2041	3,465,640	-	3,465,640
2042	3,472,640	-	3,472,640
2043	3,468,890	-	3,468,890
2044	3,465,740	-	3,465,740
2045	3,465,940	-	3,465,940
2046	3,465,690	-	3,465,690
2047	3,470,290	-	3,470,290
2048	2,829,290	-	2,829,290
2049	1,839,665	-	1,839,665
2050	1,840,315	-	1,840,315
2051	1,836,775	-	1,836,775
2052	1,835,690	-	1,835,690
2053	1,836,840	-	1,836,840
2054	1,840,015	-	1,840,015
Total	\$ 101,541,600	\$ -	\$ 101,541,600



DEBT SERVICE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 4,444,785	\$ 4,444,785	\$ 4,464,497	\$ 5,437,627
REVENUES				
Deposits				
Series 2024 Revenue Bonds (DB)	-	4,135,355	973,130	-
Series 2024 Revenue Bonds (RB)	-	-	-	586,395
Series 2025 Revenue Bonds (DB)	-	-	-	1,218,050
Interest Income	225,162	230,000	244,230	245,000
TOTAL REVENUES	\$ 225,162	\$ 4,365,355	\$ 1,217,360	\$ 2,049,445
EXPENDITURES				
Transfer Out - Operations	205,450	230,000	244,230	245,000
TOTAL EXPENDITURES	\$ 205,450	\$ 230,000	\$ 244,230	\$ 245,000
ENDING CASH BALANCE 9/30	\$ 4,464,497	\$ 8,580,140	\$ 5,437,627	\$ 7,242,072

FY 2025 Ending Balance decrease of \$1,338,068 is largely due to a lower required deposit due to a reduced issuance of Series 2024 Revenue Bonds to provide funding for the Doe Branch Plant Expansion, Phase 3 (518U), offset by deposits from an estimated bond issue for the Doe Branch expansion and an estimated bond issue for the Riverbend West Influent Lift Station (511P).

INTEREST AND SINKING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 1,611,505	\$ 1,182,135	\$ 911,654	\$ 458,124
Transfer to Operations	\$ (699,851)		\$ (453,530)	
BEGINNING CASH BALANCE Revised	\$ 911,654		\$ 458,124	
REVENUES				
Deposit (Capitalized Interest)				
Series 2024 Revenue Bonds	-	11,166,410	-	-
Transfers In				
Operations	3,621,860	4,195,280	4,195,275	7,331,575
Working Capital	699,851	-	453,530	-
Interest Income	80,152	119,050	80,970	55,000
TOTAL REVENUES	\$ 4,401,863	\$ 15,480,740	\$ 4,729,775	\$ 7,386,575
EXPENDITURES				
Debt Service *	4,401,863	8,040,080	4,729,775	7,331,575
TOTAL EXPENDITURES	\$ 4,401,863	\$ 8,040,080	\$ 4,729,775	\$ 7,331,575
ENDING CASH BALANCE 9/30	\$ 911,654	\$ 8,622,795	\$ 458,124	\$ 513,124

FY 2025 Ending Balance decrease of \$8,109,671 is largely due to not utilizing Capitalized Interest funds for the issuance of Series 2024 Revenue Bonds to provide funding for the Doe Branch Plant Expansion, Phase 3 (518U).
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* FY 2023 debt service includes \$512,230 funded via Capitalized Interest (Series 2022 Revenue Bonds)

* FY 2024 debt service includes \$534,500 funded via Capitalized Interest (Series 2022 Revenue Bonds)

PENINSULA WATER RECLAMATION PLANT

SENIOR LIEN DEBT

For FY 2025, the District will have the following Bonds outstanding.

Series 2016 Bonds – \$1.13 million bond issue to fund the UV Disinfection Improvements at the Peninsula Water Reclamation Plant. This issue has a 20-year term with the final payment due in FY 2035.

SCHEDULE OF REQUIREMENTS

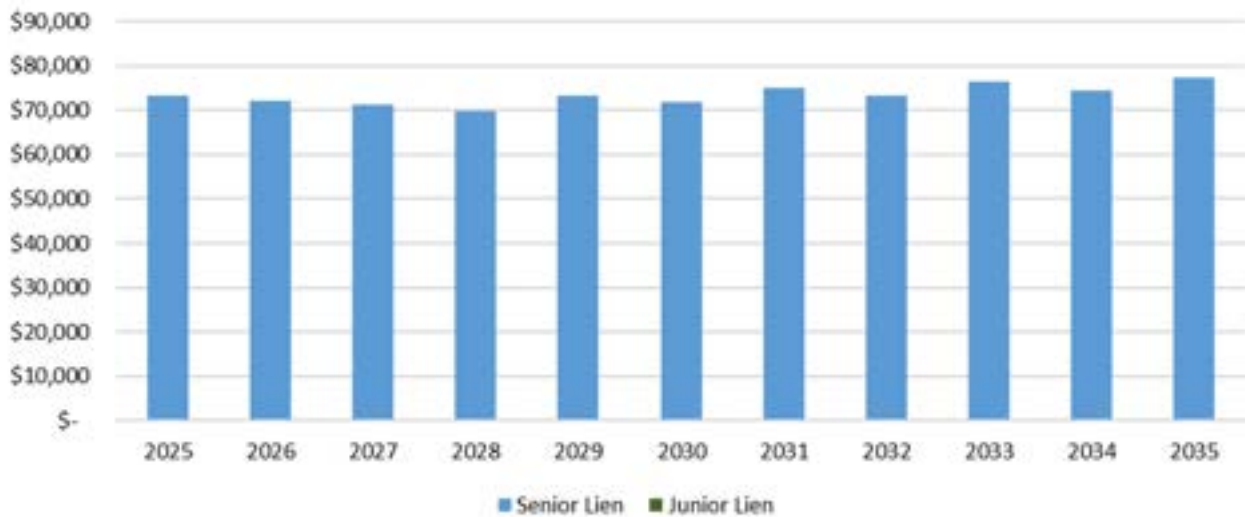
Series	Description	TIC *	Maturity	Principal	Interest	Total
2016	Revenue Bonds	2.60%	2035	\$ 55,000	\$ 18,345	\$ 73,345
Total				\$ 55,000	\$ 18,345	\$ 73,345

* True Interest Cost

This schedule represents the FY 2025 debt service on the outstanding Peninsula Water Reclamation Plant bond issue. For future debt issues during the five-year planning period (FY 2025 - FY 2029), refer to the Capital Improvement Program section of this budget document.

LONG-TERM DEBT INDEBTEDNESS TO MATURITY

Year	Senior Lien	Junior Lien	Total
2025	\$ 73,345	\$ -	\$ 73,345
2026	72,245	-	72,245
2027	71,145	-	71,145
2028	69,700	-	69,700
2029	73,255	-	73,255
2030	71,680	-	71,680
2031	75,105	-	75,105
2032	73,400	-	73,400
2033	76,450	-	76,450
2034	74,350	-	74,350
2035	77,250	-	77,250
Total	\$ 807,925	\$ -	\$ 807,925



DEBT SERVICE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2023 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 75,582	\$ 75,582	\$ 75,917	\$ 75,917
REVENUES				
Interest Income	3,829	5,575	4,035	3,965
TOTAL REVENUES	\$ 3,829	\$ 5,575	\$ 4,035	\$ 3,965
EXPENDITURES				
Transfer Out - Operations	3,494	5,575	4,035	3,965
TOTAL EXPENDITURES	\$ 3,494	\$ 5,575	\$ 4,035	\$ 3,965
ENDING CASH BALANCE 9/30	\$ 75,917	\$ 75,582	\$ 75,917	\$ 75,917

INTEREST AND SINKING RESERVE

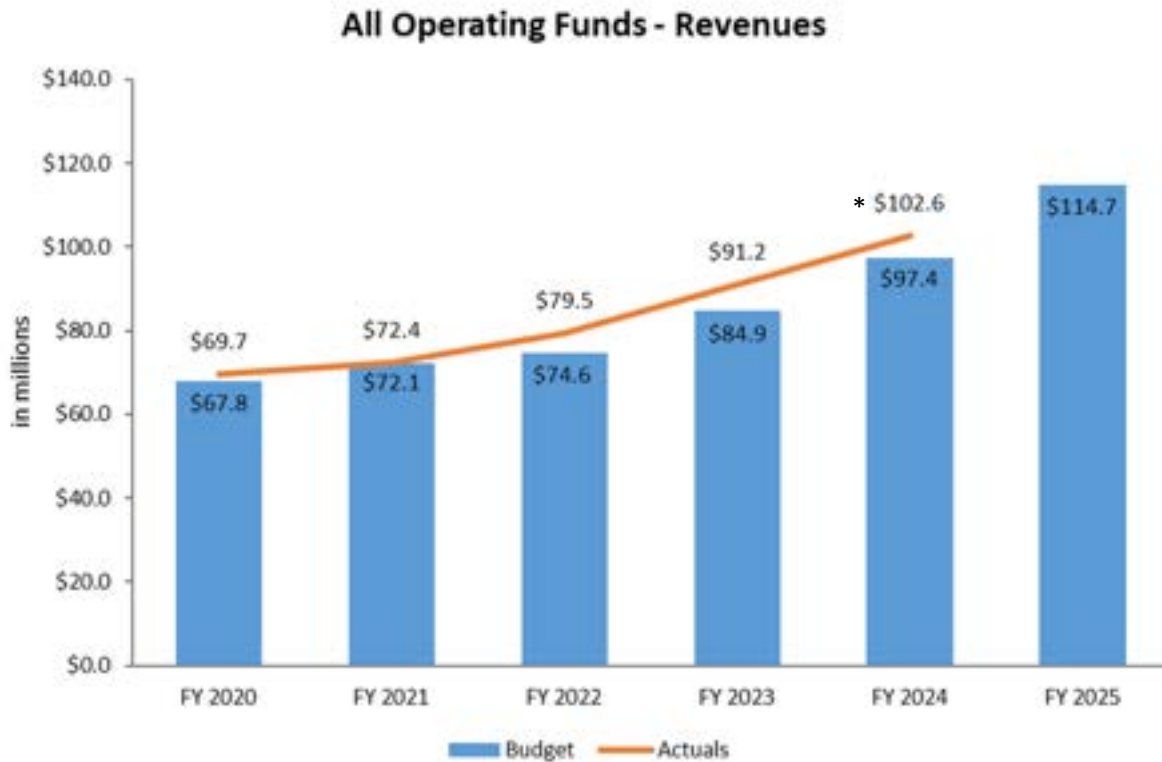
	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 3,499	\$ 4,414	\$ 3,338	\$ 4,388
Transfer to Operations	\$ (161)			
BEGINNING CASH BALANCE Revised	\$ 3,338			
REVENUES				
Transfers In				
Operations	69,987	70,935	70,935	74,745
Working Capital	161	-	-	-
Interest Income	846	1,435	1,050	810
TOTAL REVENUES	\$ 70,994	\$ 72,370	\$ 71,985	\$ 75,555
EXPENDITURES				
Debt Service (w/Fiscal Agent Fees)	70,994	70,935	70,935	74,745 *
TOTAL EXPENDITURES	\$ 70,994	\$ 70,935	\$ 70,935	\$ 74,745
ENDING CASH BALANCE 9/30	\$ 3,338	\$ 5,849	\$ 4,388	\$ 5,198

FY 2025 Ending Balance decrease of \$651 is due to lower than anticipated interest income in FY 2024 and a lower contribution in FY 2023.

* Includes Fiscal Agent Fees of \$1,400

REVENUE SUMMARY

The District derives most of its annual revenues from water operations (Regional Treated Water System). Additionally, it operates two regional water reclamation operating systems: the Lakeview System and Northeast System (Riverbend and Doe Branch Plants). The Peninsula Plant operates solely to serve one entity (Mustang Special Utility District) and is not classified as a “system”. Revenues are also generated from the Administration Fund, Non-Potable Water System, and the Household Hazardous Waste Program. There are a variety of operating and non-operating revenue sources available, some of which can be utilized to offset operating expenses and others which cannot, due to certain restrictions. The District utilizes a cost recovery (rate) analysis model specific to each system and program so that the appropriate rate, charge, or fee to generate District revenues can be determined. Graphical information for FY 2023 (Actuals), FY 2024 (Adopted and Estimates) and FY 2025 (Adopted) can be found in the Fund Summary section of this budget document, under the “Operating Funds Combined Summary” page. For detailed amounts rolled up into revenue subtotals, refer to the Operating Fund Detail section of this budget document and refer to the individual operating fund budget.

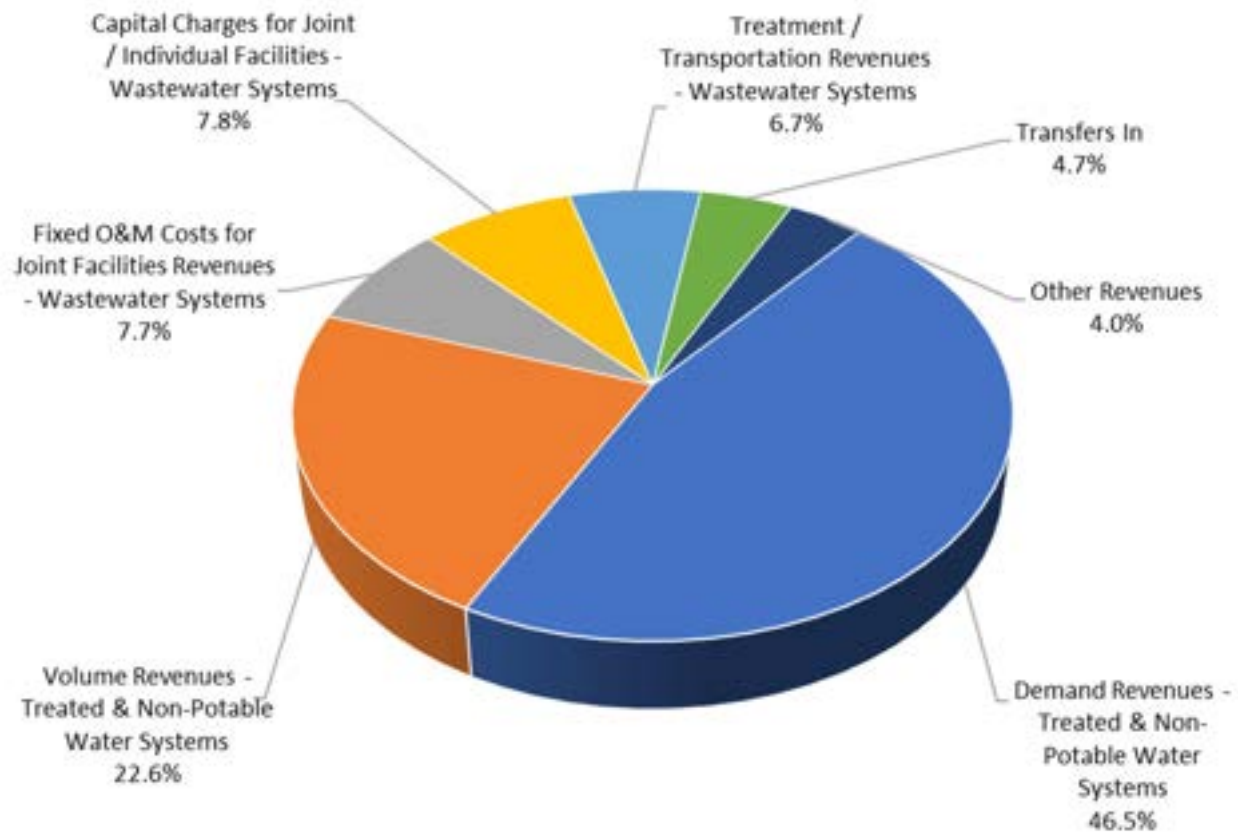


* Represents FY 2024 Estimates

Generally, as the population grows in the District’s service area, operating expenses, and debt service payments (for additional infrastructure to provide service to a growing service area) increase as well. Since the District’s rate methodology consists of setting rates at an appropriate level to adequately recover these costs, total revenues will usually increase as these expenses increase. Actual results, however, will vary since the types of services provided by the District (water and water reclamation) are weather and population growth dependent.

OPERATING REVENUES BY CATEGORY

The District’s Water and Water Reclamation Systems generate most of the District’s annual total revenues and are primarily divided between those that recover fixed operating expenses and debt service payments, and those that recover variable operating expenses. The following section will discuss and analyze the District’s major revenue categories.



DEMAND REVENUES – TREATED AND NON-POTABLE WATER SYSTEMS

This type of revenue is the largest type of revenue for the District and represents the amount of fixed revenues needed to recover annual fixed operation expenses, such as payroll, overhead expense, debt service (if applicable), maintenance expense, office expenses, and equipment purchases, in the Regional Treated Water and Non-Potable Water Systems. The adopted Demand Charge is the amount necessary to recover the total of these expenses, divided by total contracted capacity in the System (Subscriptions). Contracted capacity represents how much capacity a System participant has contracted to utilize and thus, be charged for their proportional share of the System’s annual fixed operating expenses, including debt service.

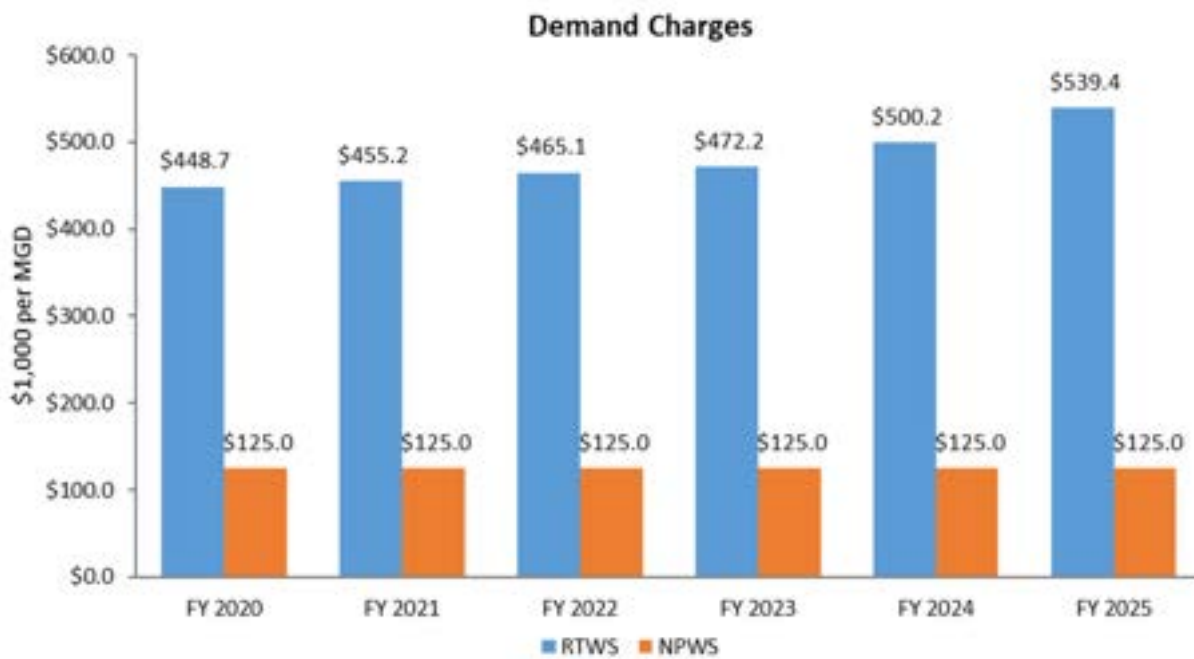
Projected Regional Treated Water System (RTWS) Demand Revenue for FY 2025 is \$53,209,875. This amount represents a 12.3% increase from Adopted FY 2024 and was necessary to fund the active capital improvement program and the continuing conversion of variable rate debt to long term debt with new debt issues. FY 2025 subscriptions are expected to increase by 4.1% (3.9 MGD increase from FY 2024). The RTWS Demand Charge was increased by 7.9% from FY 2024 to FY 2025 (from \$500,155 / MGD to

\$539,435 / MGD, respectively). Meanwhile, Non-Potable Water System (NPWS) Demand Revenue for FY 2025 is \$125,000; unchanged from Adopted FY 2024.

The following graph reflects annual growth in Demand Revenues experienced by the Regional Treated Water and Non-Potable Water Systems since FY 2020.



The following graphs reflects annual change in Demand Rate for the Regional Treated Water and Non-Potable Water Systems since FY 2020. Rates are shown on a per MGD basis.



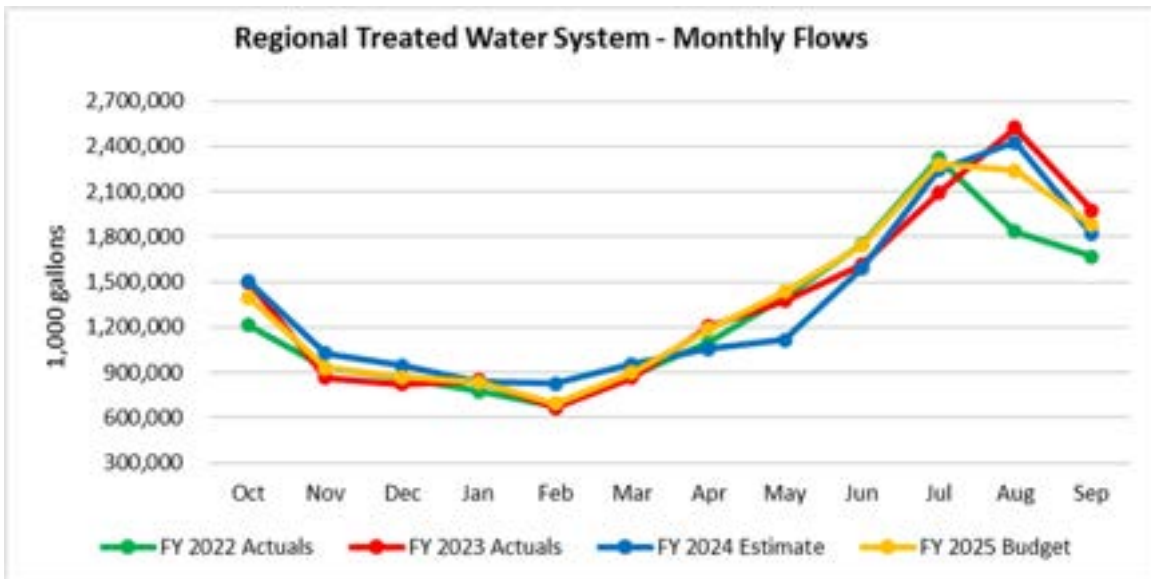
Demand Revenues have increased an average of 8.8% from FY 2020 and reflects a combination of moderate growth in our participants’ required capacity for treated and non-potable water services, as well as increases to the annual Demand Charge to adequately recover increases in fixed operating expenses and debt service payments. While the NPWS does not have any outstanding debt issues and does not anticipate any future issues, the RTWS will incur increased debt service expense over the next five years as various “large dollar” capital projects are projected for this period. Refer to the Long-Range Financial Plan section of this budget document for additional information.

VOLUME REVENUES – TREATED AND NON-POTABLE WATER SYSTEMS

This type of revenue represents the amount of revenues needed to recover annual variable operation expenses, such as electricity, chemicals, raw water, and reserve contributions, incurred by the Regional Treated Water and Non-Potable Water Systems. The adopted volume rate in the (RTWS) is the amount necessary to recover the total of these expenses, divided by total projected treated water flows (shown in units of 1,000 gallons). Additionally, the Non-Potable Water System (NPWS) has two volume rates. The treated effluent rate is established based on the total of all variable NPWS costs incurred to secure and pump treated effluent water to this System’s only customer, the City of Lewisville (formerly DCFWSD #1A) divided by 1,000-gallon units (expressed in MGD or million gallons per day). The raw water rate is established based on the total of all variable NPWS costs to secure and pump raw water to Lewisville.

Projected Volume Revenue for RTWS is \$25,857,860 for FY 2025 and represents a 13.3% increase from the Adopted FY 2024 amount due to projecting an 8.3% increase in RTWS participant flows from FY 2024. The RTWS Volume Rate, set at \$1.56 / 1,000 gallons for FY 2025, was increased by \$0.07 / 1,000 gallon from FY 2024 due to projected raw water and electricity cost increases.

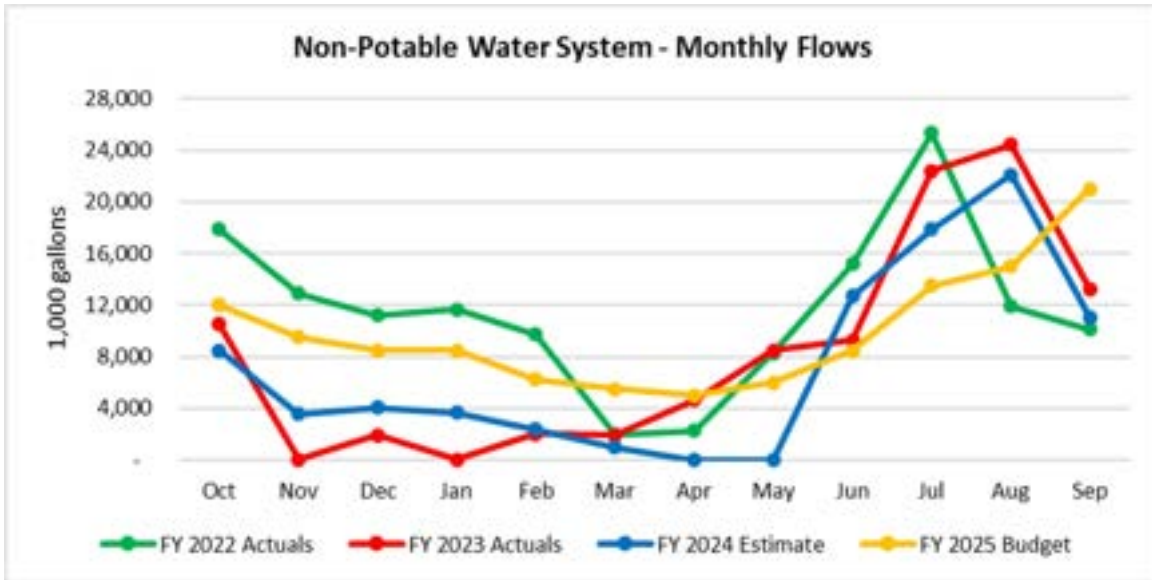
The following graph reflects actual monthly flows from treated water sales for FY 2022 through FY 2024, with projections for FY 2025.



Projected Treated Effluent Volume Revenue for NPWS is \$61,335 for FY 2025, a 9.6% decrease from Adopted FY 2024 due to a 13.0% reduction in projected effluent flows. The Treated Effluent Volume Rate increases \$0.02 to \$0.53 / 1,000 gallons. Projected Raw Water Volume Revenue for NPWS is \$4,445 for

FY 2025, a 7.6% increase from Adopted FY 2024. The District’s Raw Water Volume Rate was increased from \$1.18 / 1,000 gallons to \$1.27 / 1,000 gallons for Adopted FY 2025, an increase of \$0.09 / 1,000 gallons or 7.6%. Projected raw water flows remain unchanged for FY 2025.

The following graph reflects actual monthly flows from treated effluent water sales for FY 2022 through FY 2024, with projections for FY 2025.



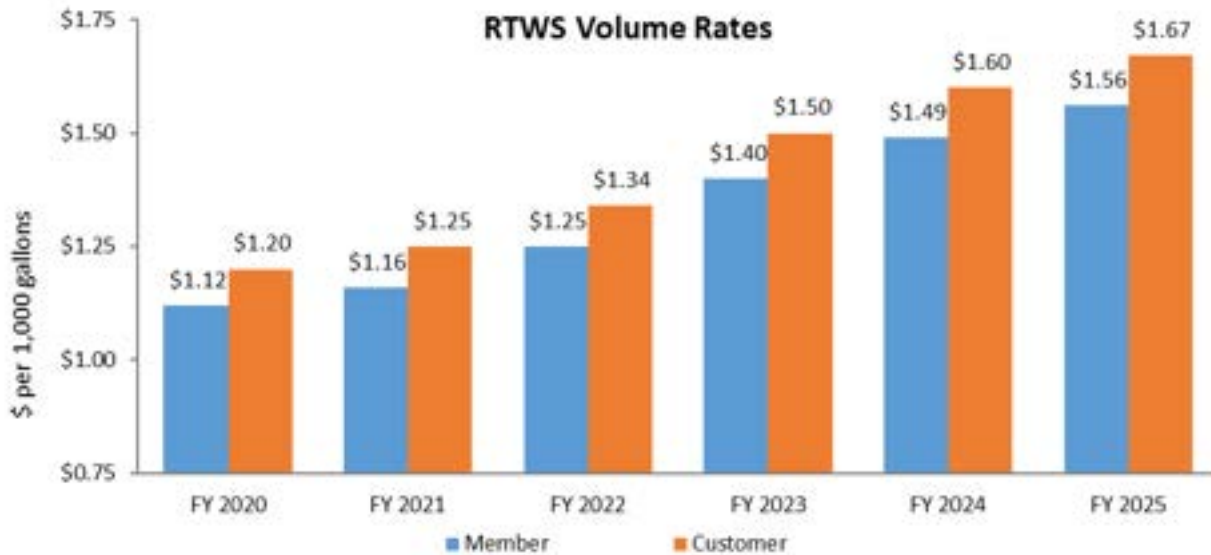
The following graph reflects annual growth in Volume Revenues experienced by the Regional Treated Water and Non-Potable Water Systems since FY 2020.



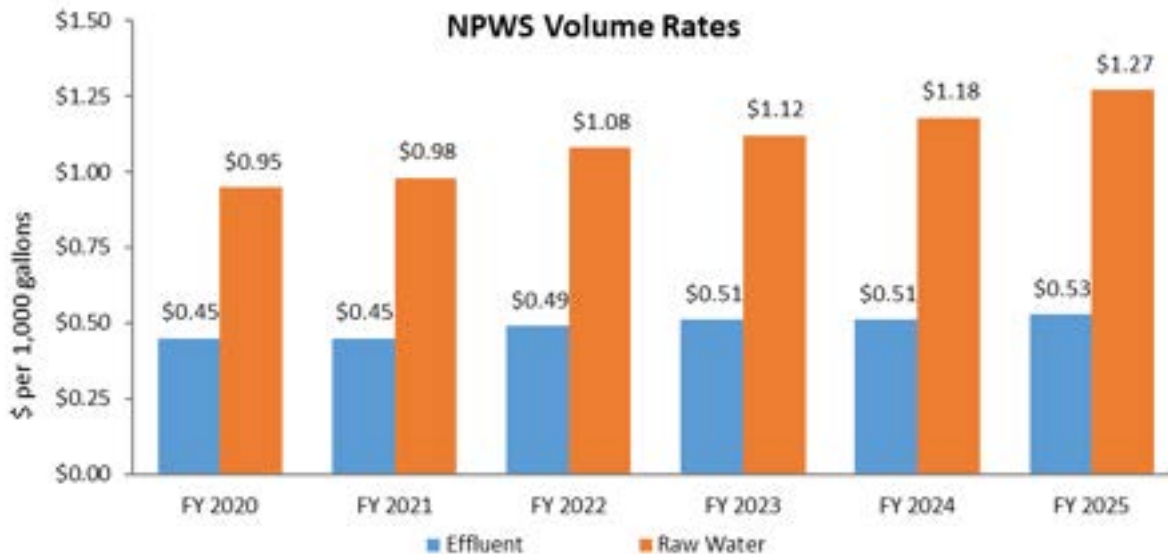
This category includes Treated Effluent and Raw Water Volume Revenues from the Non-Potable Water System (NPWS), as well as Volume Revenues (Treated Water Sales) from the Regional Treated Water System (RTWS). Since the NPWS Volume Revenues are immaterial to the overall annual variances shown

in the above graph, this analysis will explain differences experienced by the Regional Treated Water System. RTWS Volume Revenues have increased an average of 14.1% from FY 2020 due to strong growth in the RTWS, as well as increasing the Volume Rate from \$1.12 / 1,000 gallons in FY 2020 to \$1.56 / 1,000 gallons for FY 2025; an annual average of 6.9%.

The following graph reflects annual Volume rates for the Regional Treated Water System since FY 2020.



The following graph reflects annual Volume rates for the Non-Potable Water System since FY 2020.



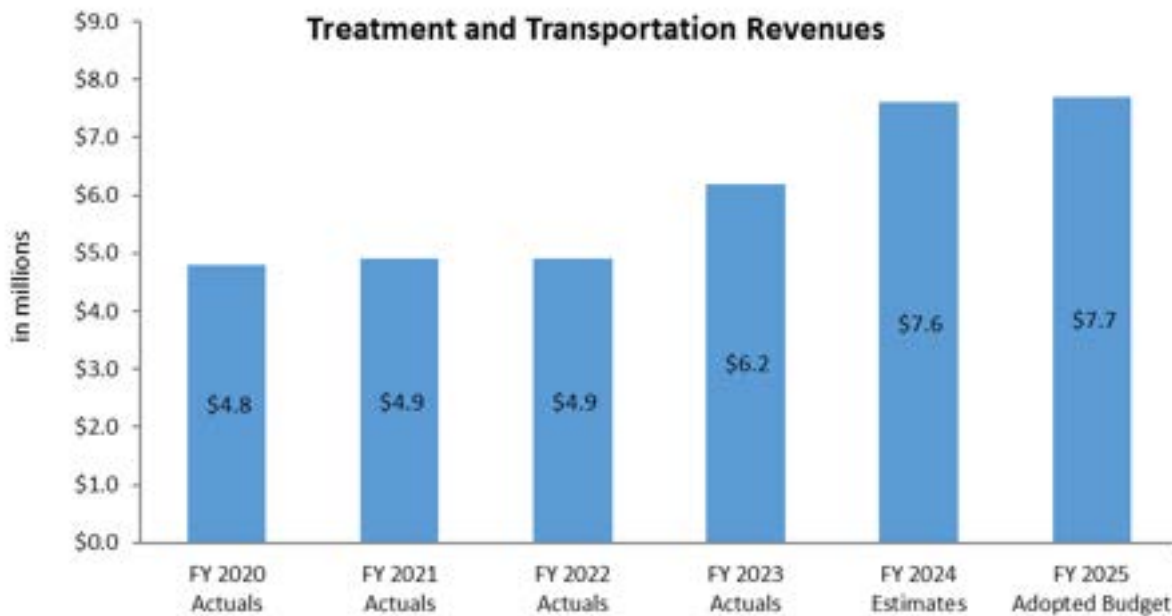
Adopted FY 2025 revenues are projected to increase 9.3%, primarily due to a \$0.07 / 1,000 gallon increase in the volume rate as well as an increase in flows. The Customer Rate reflects a 7.0% surcharge over the Member Rate, with the additional revenue used to fund the Administration Fund for overall planning and administrative activities provided on behalf of all RTWS Customer participants. For FY 2025, the Customer Volume Rate is \$1.67 / 1,000 gallons, with participant flows projected to increase 8.3% from Adopted FY 2024.

Future (Post FY 2025) Volume Revenues are expected to increase annually, both from the estimated increases to flows (3.2% to 3.9% per year) and increases to the RTWS volume rate (estimated between 1.8% to 7.7% per year). These increases are necessary to secure raw water sources, cover anticipated chemical and electricity expenses, and continue contributions to RTWS’ reserves. Refer to the Long-Range Financial Plan section for future rate increase projections.

TREATMENT AND TRANSPORTATION REVENUES – WATER RECLAMATION SYSTEMS

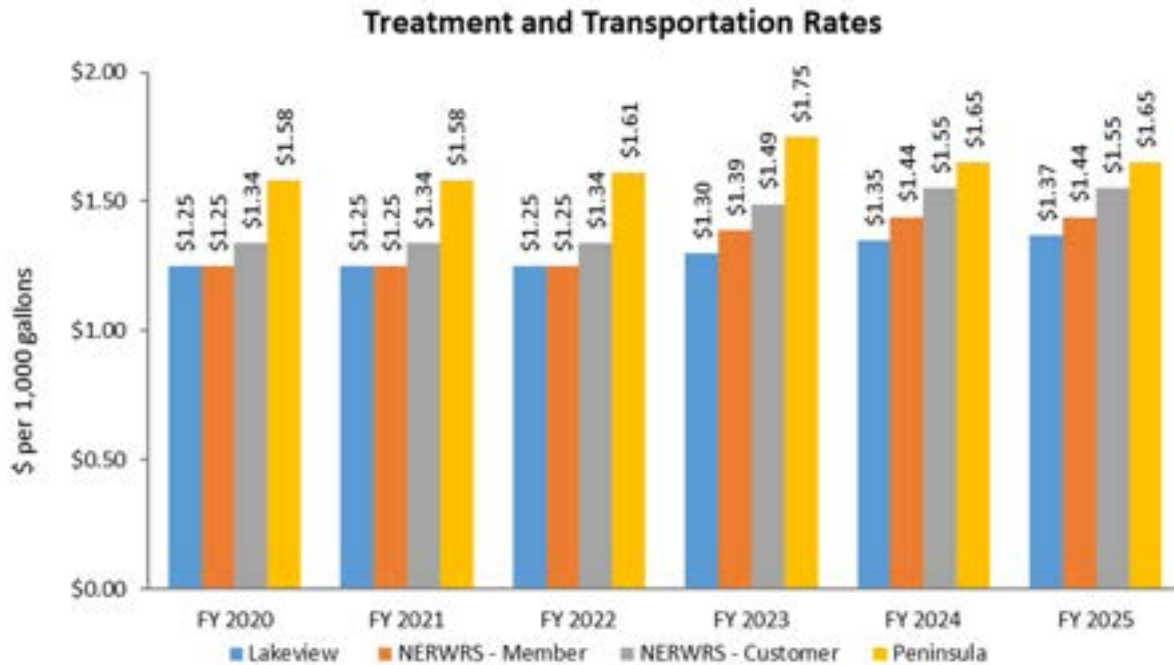
This type of revenue represents the amount of revenues needed to recover annual variable operation expenses, such as electricity, chemicals, sludge processing and disposal services, and reserve contributions, incurred by the Lakeview and Northeast Regional Water Reclamation Systems, and the Peninsula Water Reclamation Plant. The adopted treatment rate is the amount necessary to recover the total of these expenses, divided by total projected wastewater flows (shown in units of 1,000 gallons).

The following graph reflects annual growth in Treatment and Transportation Revenues experienced by the Lakeview and Northeast Regional Water Reclamation Systems and the Peninsula Water Reclamation Plant since FY 2020.



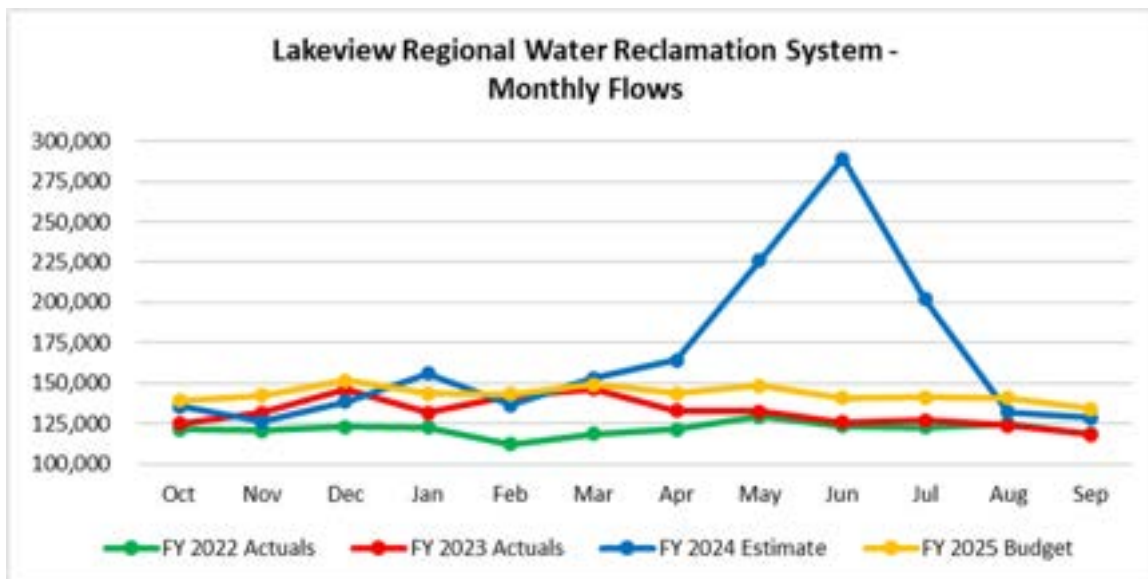
Treatment and Transportation Revenues remained relatively flat through FY 2022 but rose in FY 2023 and FY 2024 with a slight increase (1.3%) projected in FY 2025. Participant wastewater flows are projected to significantly increase over the next 3-5 years, especially in the Northeast Regional Water Reclamation System (Riverbend and Doe Branch Plants) and Peninsula Water Reclamation Plant service areas due to continued development and population growth.

The following graph represents the adopted rates for each Water Reclamation System from FY 2020 to FY 2025.



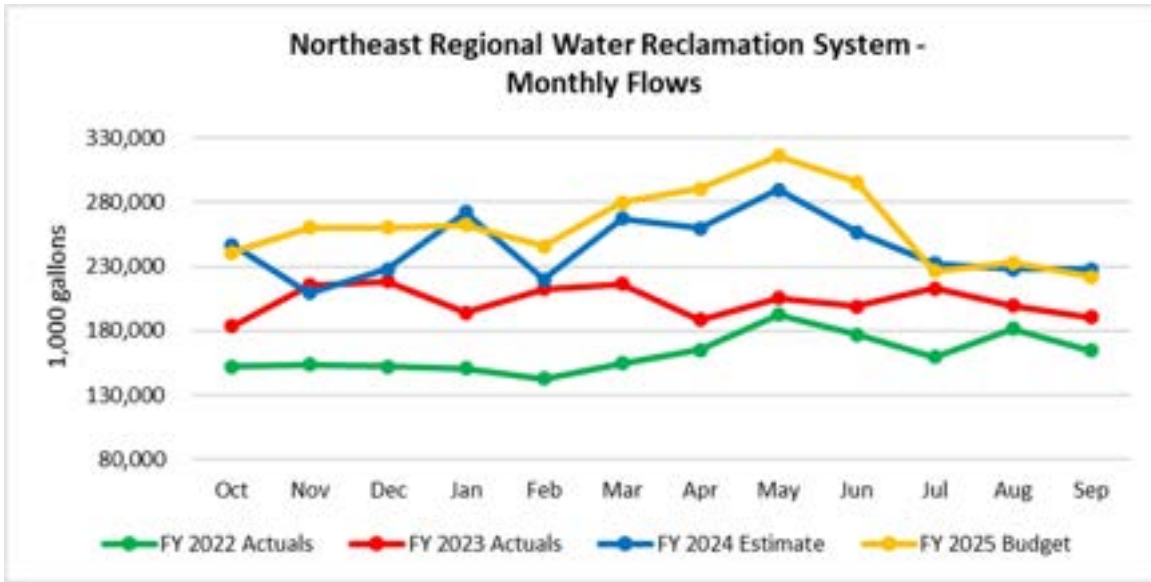
Projected Treatment and Transportation Revenue (including the Corinth Entry Point near I35) for the Lakeview Regional Water Reclamation System (LRWRS) is \$2,332,685 for FY 2025 and reflects a 2.6% increase from the Adopted FY 2024 amount driven by a 1.5% rate increase. The Treatment Rate of \$1.37 / 1,000 gallons represents a \$0.02 / 1,000 gallons increase from Adopted FY 2024.

The following graph reflects actual monthly flows from wastewater sales for FY 2022 through FY 2024, with projections for FY 2025. The large spike in flows in FY 2024 is attributable to significant rainfall events that caused excess inflow and infiltration from a member city into the Lakeview system.



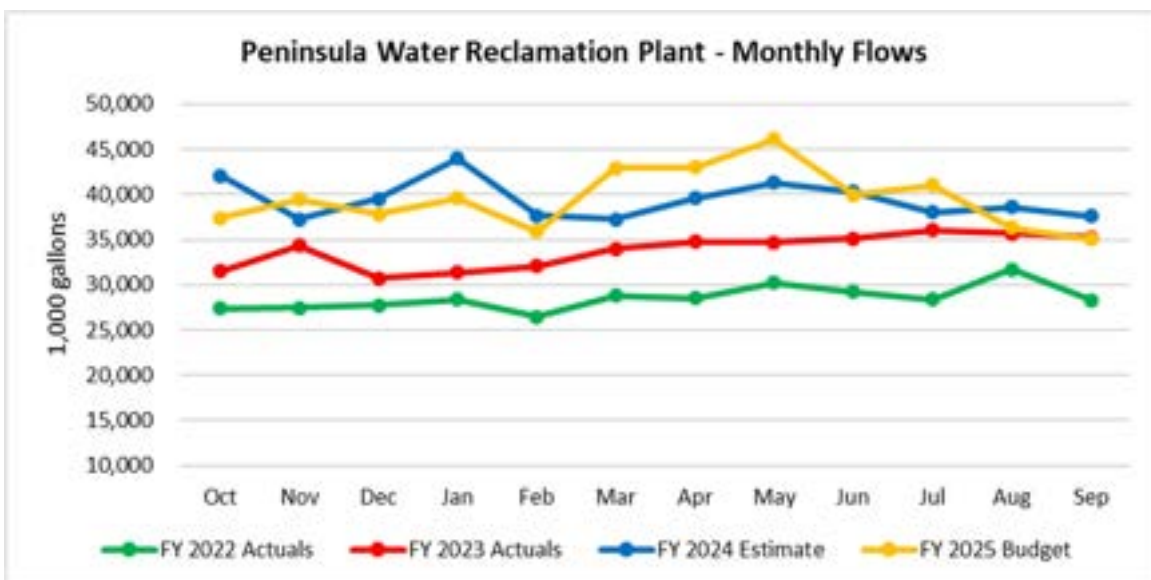
Projected Treatment Revenue for the Northeast Regional Water Reclamation System (NERWRS) is \$4,583,125 for FY 2025 and reflects a 27.4% increase from the Adopted FY 2024 amount due to a 27.9% increase in projected wastewater flows. The Treatment Rate for Adopted FY 2025 is set at \$1.44 / 1,000 gallons, no change from Adopted FY 2024.

The following graph reflects actual monthly flows from wastewater sales for FY 2022 through FY 2024, with projections for FY 2025.



Projected Treatment Revenue for the Peninsula Water Reclamation Plant is \$782,925 for FY 2025 and reflects an 8.3% increase from the Adopted FY 2024 amount due to an 8.3% increase in projected wastewater flows. The FY 2025 Treatment Rate of \$1.65 / 1,000 gallons remains unchanged from FY 2024.

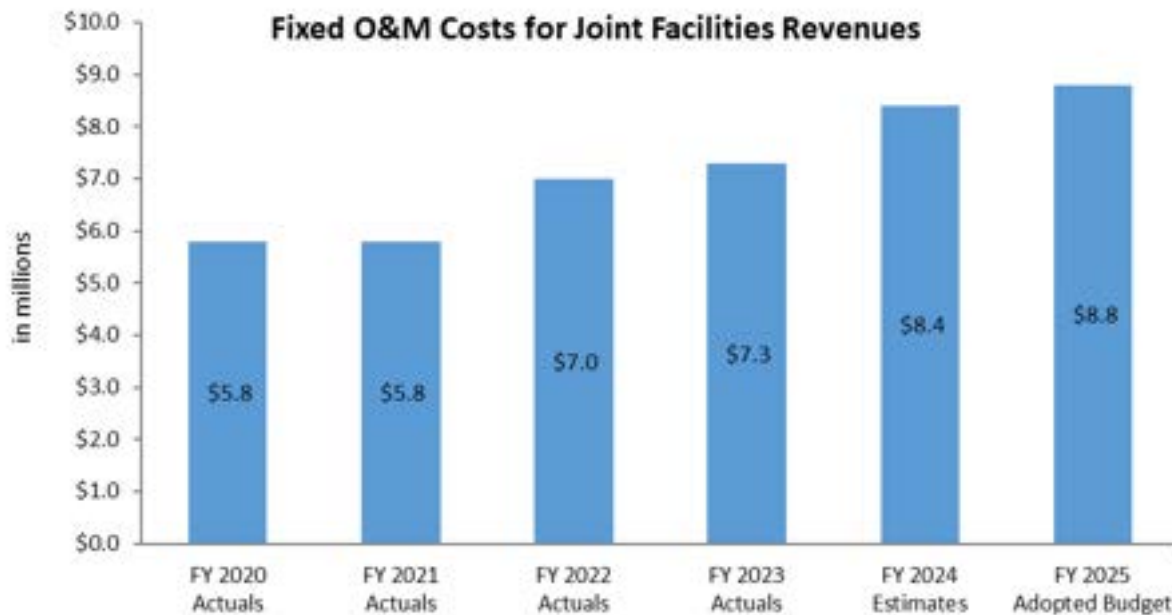
The following graph reflects actual monthly flows from wastewater sales for FY 2022 through FY 2024, with projections for FY 2025.



FIXED O&M COSTS FOR JOINT FACILITIES REVENUES – WATER RECLAMATION SYSTEMS

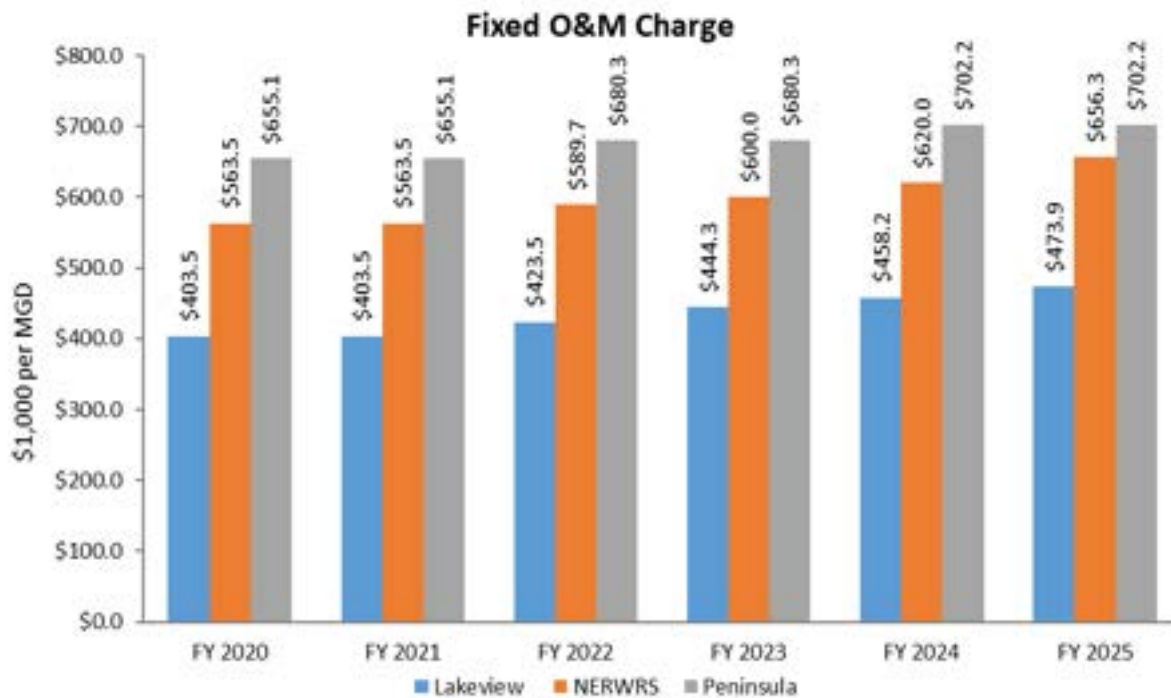
This type of revenue represents the amount of fixed revenues needed to recover annual fixed operation expenses, such as payroll, overhead expense, maintenance expense, office expenses, and equipment purchases, for the District’s water reclamation systems (Lakeview and Northeast Systems and the Peninsula Plant). The adopted Fixed O&M Costs for Joint Facilities charge is the amount necessary to recover the total of these expenses, divided by total contracted capacity in the Systems (Subscriptions). Contracted capacity, or Subscription, represents how much capacity a System participant has contracted to utilize and thus, be charged for their proportional share of the System’s annual fixed operating expenses.

The following graph reflects annual growth in Fixed O&M Costs for Joint Facilities Revenues experienced by the Lakeview and Northeast Regional Water Reclamation Systems, including the Peninsula Water Reclamation Plant, since FY 2020.



Fixed O&M Costs for Joint Facilities Revenues have increased an average of 9.0% from FY 2020 mainly due to tremendous growth in the Northeast service area. A large increase in revenue was realized in FY 2022 as the expanded capacity of the Doe Branch plant became available. Another large increase followed in FY 2024 as the expanded capacity of the Peninsula plant became available at the beginning of that year.

The following graph represents the Fixed O&M charge shown on a per MGD basis for each Water Reclamation system.



- Projected Fixed O&M Costs for Joint Facilities revenues for the Lakeview Regional Water Reclamation System for FY 2025 is \$2,525,315, a 3.4% increase from FY 2024.
- Projected Fixed O&M Costs for Joint Facilities revenues for the Northeast Regional Water Reclamation System for FY 2025 is \$4,910,435, a 7.7% increase from FY 2024.
- Projected Fixed O&M Costs for Joint Facilities for the Peninsula Water Reclamation Plant for FY 2025 is \$1,404,400, no change from FY 2024.

CAPITAL CHARGES (WITH INTERIM FINANCING) FOR JOINT AND INDIVIDUAL FACILITIES REVENUES – WASTEWATER SYSTEMS

This type of revenue generally represents recovery of annual debt service payments for debt issues used to construct common-to-all (Joint) infrastructure, and for participant (Individual) infrastructure. Joint debt is issued for projects that benefit all participants. Regarding debt service for joint facilities, there are two plants that make up the Northeast System and debt issues are specific to each plant. Therefore, Doe Branch plant participants are not responsible for making payments on a debt issue that was used to construct the Riverbend Plant, and vice versa. In addition, these revenues include participant payments related to the repayment of interim or short-term loans for common-to-all capital projects financed by another System’s reserves or until permanent financing could be completed. Interim financing revenues are primarily included only for participants of the Northeast Regional Water Reclamation System.

Projected FY 2025 Capital Charge for Joint and Individual Facilities Revenues for the Lakeview Regional Water Reclamation System (LRWRS) is \$2,236,685 and reflects a 2.6% increase from the Adopted FY 2024 amount. Interest revenue is used to offset all debt service before allocating it among the plant participants. These revenues consist of debt service for joint facilities allocated between the Lakeview System’s participants based on subscribed capacity.

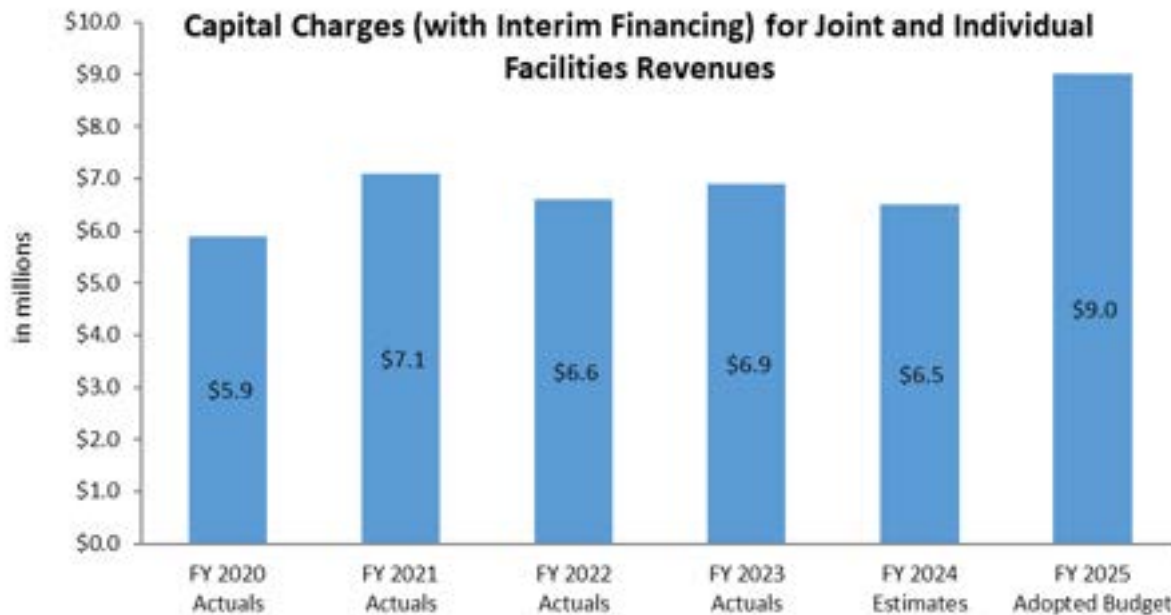
- Total FY 2025 Capital Charges for Joint Facilities is \$1,438,245 and reflects the total amount of debt service payments from debt issues to construct all common-to-all portions of the Lakeview Regional Water Reclamation System.
- Capital Charges for Individual Facilities totals \$798,440 for FY 2025 and reflects the total portion of debt service for debt issues to construct each participant's solely used segments within the Lakeview System.

Projected Capital Charge (with Interim Financing) for Joint and Individual Facilities Revenues for the Northeast Regional Water Reclamation System (NERWRS) is \$6,699,070 for FY 2025 and reflects a 53.8% increase from the Adopted FY 2024 amount primarily due to new debt service payments related to the Series 2022, 2024 and projected 2025 bonds for the Riverbend and Doe Branch plants.

- Total FY 2025 Capital Charges for Joint Facilities (Riverbend Plant participants) is \$786,185 and reflects the total amount of debt service payments from debt issues to construct all common-to-all portions of the Riverbend Plant and related infrastructure (Series 2002 State Participation Bonds and a small portion of the Series 2019 Revenue and Refunding Bonds issued to refund the Series 2007 Revenue Bonds), as well as the subscribed capacity of the additional 2.0 MGD from the expansion of the Riverbend Plant's treatment capacity (Series 2016 and 2017 TWDB "D" Funds). FY 2019 and FY 2020 debt service for the Series 2019 bond issue was funded via capitalized interest.
- There are no Capital Charges for Joint Facilities for Doe Branch Plant participants for FY 2025.
- Capital Charges for Individual Facilities (Riverbend Plant participants) total \$2,758,185 for FY 2025 and reflects the portion of debt service from debt issues (Series 2019 Revenue and Refunding Bonds issued to refund the Series 2007 Revenue Bonds and Series 2016 and 2017 TWDB "D" Fund Bonds) used to construct individual facilities from the original Riverbend Plant construction project, associated pipelines, and from the phase 3 expansion project of the Riverbend Plant. This also includes debt service for the Series 2022 (debt service funded via capitalized interest in FY 2022 and 2023) and projected Series 2024 Revenue Bonds for the West Influent Lift Station project.
- FY 2025 Capital Charges for Individual Facilities (Doe Branch) total \$3,154,700 and includes \$765,475 (portion of Series 2019 Revenue and Refunding Bonds issued to refund the Series 2014 Revenue Bonds to construct the City of Celina's initial capacity in the Doe Branch Construction project), \$701,575 (portion of the Series 2019 Bonds issued on Celina's behalf to fund their additional capacity in the phase 2 expansion of the Doe Branch Plant) and \$294,525 for the additional capacity in the phase 2 expansion that was assigned equally between Prosper and Celina beginning in FY 2024. Additionally, \$1,393,125 is included for Celina's portion of the Doe Branch phase 3 expansion (Series 2024 Revenue Bonds).
- There are no Interim financing charges budgeted for FY 2025.

Projected Capital Charge for Joint and Individual Facilities Revenues for the Peninsula Water Reclamation Plant is \$74,745 for FY 2025 and reflects a 5.4% increase from the Adopted FY 2024 amount due to an increase in the annual debt service payment for the Series 2016 Revenue Bonds that were issued to fund the installation of a new ultraviolet disinfection system at the Peninsula Plant (completed in FY 2017).

The following graph reflects annual growth in Capital Charge (with Interim Financing) for Joint and Individual Facilities Revenues experienced by the District’s water reclamation operations, consisting of the Lakeview and Northeast Regional Water Reclamation Systems, along with the Peninsula Water Reclamation Plant, since FY 2020.



Capital Charges (with Interim Financing) for Joint and Individual Facilities Revenues have increased an average of 10.1% from FY 2020 from the use of bond funding for the construction and expansion of the Doe Branch Plant, the expansion of the Riverbend Plant and the use of interim financing (loans) between Systems for completion of capital projects such as UV Disinfection Improvements (Riverbend and Peninsula Plants) and the Doe Branch Interceptor, Phase 2. FY 2020 through FY 2022 debt service includes interest only payments for two bond issues, with principal and interest payments beginning FY 2023. Principal and interest payments began in FY 2021 and continue through FY 2048, for the Series 2019 Revenue Bonds. Capitalized interest was used to offset debt service payments through FY 2024 for the FY 2022 bond issue. Interest only payments will be utilized for 5 years for the Series 2024 Doe Branch bond issue. As annual debt service requirements increase, these revenues will be increased to recover these debt service payments. This category of revenues is strictly based on the use and amount of loans and / or debt financing for completion of capital projects for the Systems and is not associated with the setting of a specific charge or rate.

TRANSFERS IN

This type of revenue represents the transfer of funds between reserves within a System or between Systems. These transfers are not always consistent from year-to-year and are necessary for a variety of ever-changing circumstances. For example, when equipment is to be replaced, the expense or revenue requirement is offset by a Transfer In from the Vehicle and Equipment Replacement Reserve. Additionally, several of the District’s Systems transfer funds to the Regional Treated Water System (RTWS) for loans made to those Systems for various capital expenditures or projects. Those payments are included as a Transfer In for the RTWS but are shown as “Shared Debt Service Payments”. Therefore, over the years, the totals and types of Transfers In have differed greatly. Detail regarding individual FY 2025 Transfers In is listed for each of the District’s Systems in the Operating Fund Detail section of this budget document.

The following graph reflects annual growth of District Transfers In since FY 2020.

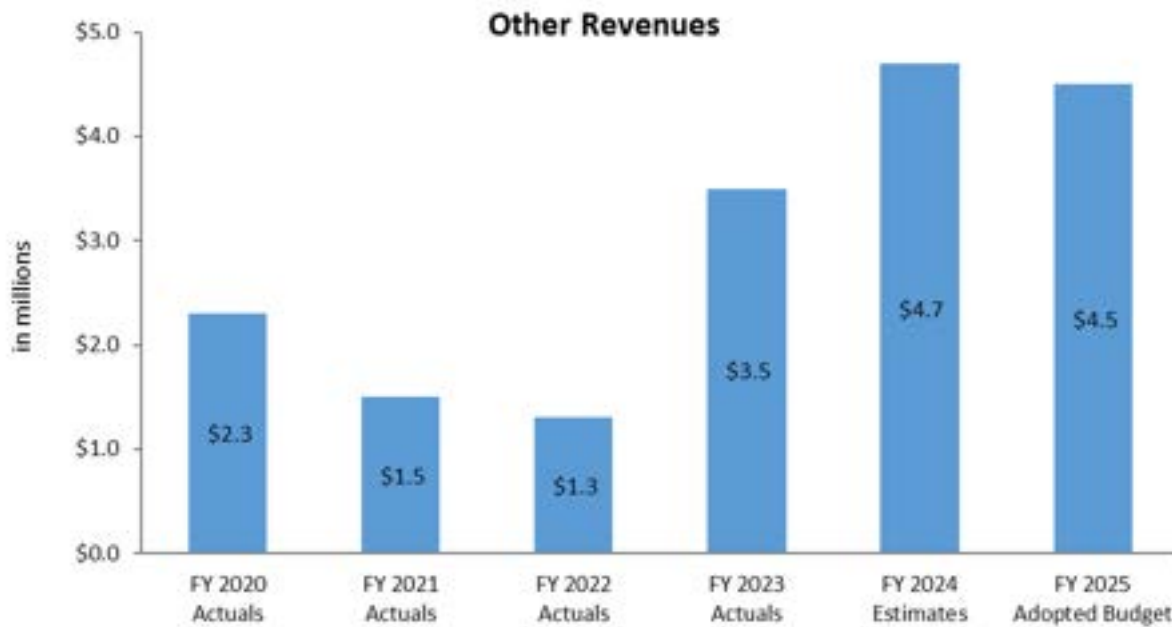


Transfers In can fluctuate greatly from year-to-year based on operating needs. The FY 2025 amount of \$5.4 million includes a \$2.4 million transfer from the Board Participation Construction Cash Reserve and a \$1.9 million transfer from the I&S Reserve in the Regional Treated Water System to offset interest payments for several Board Participation debt issues. These funds were accumulated from higher interest earnings on funds held by the District and excess working capital from FY 2023, respectively. Transfers In also includes a \$0.6 million transfer from the Northeast Regional Water Reclamation System Construction Cash to offset debt payments on the Doe Branch Series 2022 bonds. Information on the smaller Transfers In can be found in the Operating Fund Detail section of this budget document.

OTHER REVENUES

This type of revenue includes Fees for Administration and Planning from the Administration Fund, Charges for Services from the Household Hazardous Waste Fund (HHW), Contract Payments from the Regional Treated Water System (RTWS), Rental Income, Other Revenues (including a Dallas Water Utilities Raw Water Credit in the RTWS), Excess Flow Surcharges, and Interest Income from all District funds. These items are discussed in the Operating Fund Detail section of this budget document.

The following graph reflects annual growth of District Other Revenues since FY 2020.



Other Revenues have varied since FY 2020. From FY 2020 to FY 2022, these revenues declined as market interest rates dropped considerably, reducing Interest Income. However, in FY 2023 and FY 2024 revenues rose as market interest rates trend upward. Interest income is anticipated to drop slightly for FY 2025. Also, the 3-year Dallas Water Utilities Raw Water credit ended in FY 2021. Additionally, these amounts include periodic reimbursements from District participants for various specific capital expenditures or projects funded for the benefit of those participants. Beginning in FY 2024, an Excess Flow Surcharge was introduced for the Northeast Regional Water Reclamation System. This surcharge is added for wastewater flow beyond the member or customer’s contracted capacity. Nothing is budgeted for Adopted FY 2025, but these revenues are reflected in the FY 2024 estimates.

OPERATING FUND DETAIL

The Upper Trinity Regional Water District’s services are accounted for in six Enterprise Funds and three Internal Service Funds. The six Enterprise Funds are comprised of the following:

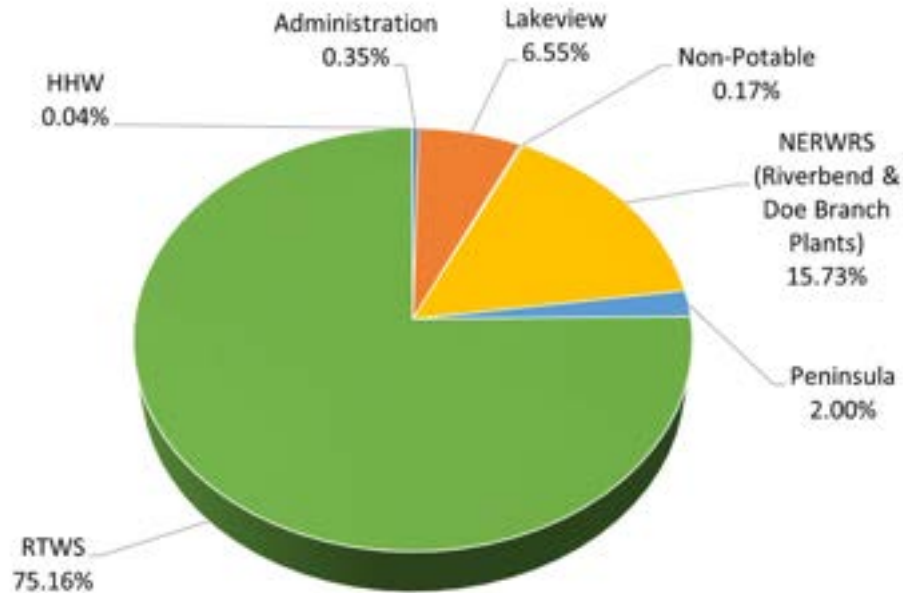
- Regional Treated Water System (Fund 21)
- Lakeview Regional Water Reclamation System (Fund 11)
- Northeast Regional Water Reclamation System (Fund 14)
- Peninsula Water Reclamation Plant (Fund 16)
- Non-Potable Water System (Fund 13)
- Household Hazardous Waste (Fund 43)

The District’s three Internal Service Funds are comprised of the following:

- Administration (Fund 01 – Department 5001 and 5008)
- Information Technology (Fund 01 – Department 50IT)
- Maintenance (Fund 15)

FY 2025 BUDGETED EXPENDITURES BY OPERATING FUND

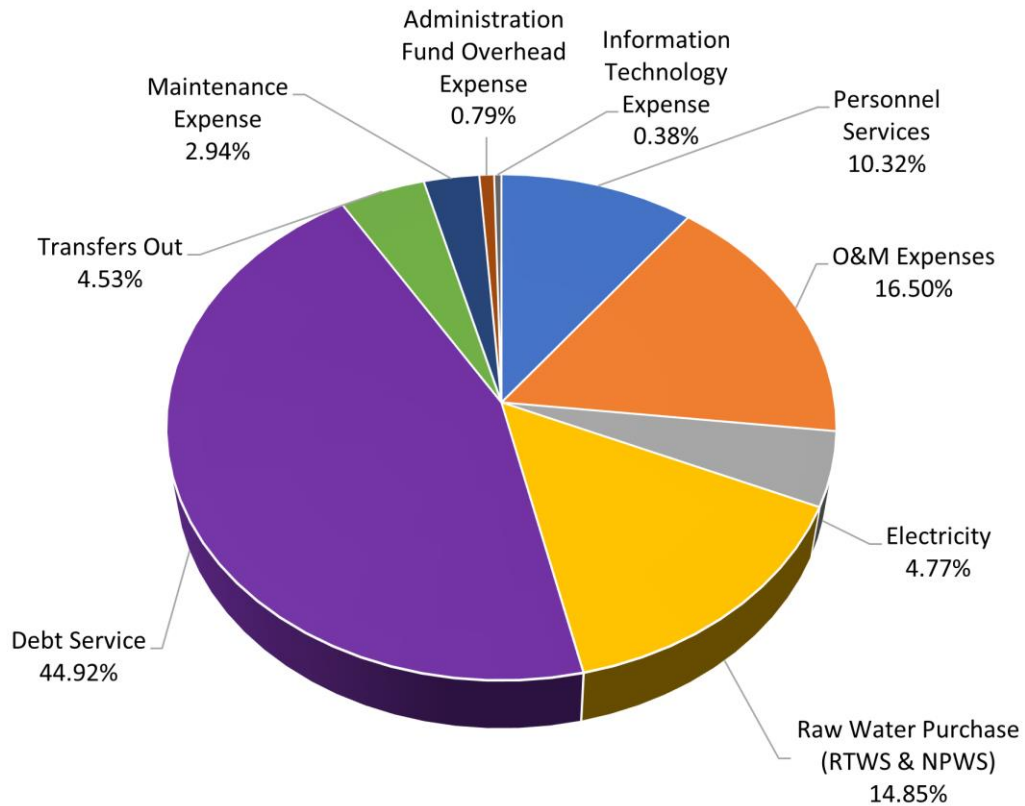
Fund	Budget
Administration Fund	\$ 365,700
Lakeview Regional Water Reclamation System	6,784,500
Non-Potable Water System	173,610
Northeast Regional Water Reclamation System	16,289,375
Peninsula Water Reclamation Plant	2,064,430
Regional Treated Water System	77,812,050
Household Hazardous Waste	37,710
TOTAL EXPENDITURES	\$ 103,527,375



FY 2025 BUDGETED EXPENDITURES BY CATEGORY – ALL OPERATING FUNDS

Fund	Budget
Personnel Services	\$ 11,342,150
O&M Expenses	18,137,170
Electricity	5,239,490
Raw Water Purchase (RTWS & NPWS)	16,320,945
Debt Service	49,391,685
Transfers Out	4,984,005
Maintenance Expense	3,235,240
Administration Fund Overhead Expense	863,565
Information Technology Expense	422,260
Gross Expenditures before Allocations	\$109,936,510
Allocated to Operations & CIP Projects	(6,409,135)
TOTAL OPERATING EXPENDITURES	\$ 103,527,375

(Percentages shown below are based on Gross Expenditures)

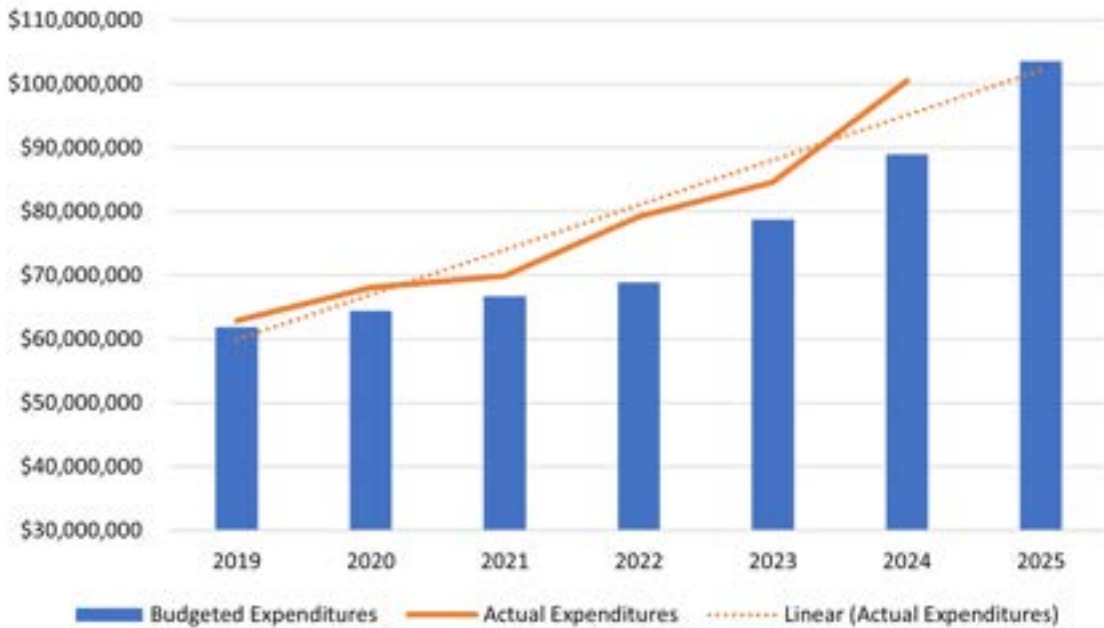


HISTORICAL OPERATING BUDGET VS. ACTUAL OPERATING EXPENDITURES

Fiscal Year	Budgeted Expenditures	Actual Expenditures*
2019	\$ 61,839,645	\$ 62,916,357
2020	\$ 64,406,455	\$ 68,050,558
2021	\$ 66,753,975	\$ 69,914,689
2022	\$ 68,916,430	\$ 79,171,069
2023	\$ 78,718,385	\$ 84,573,334
2024	\$ 88,938,825	\$ 100,450,790**
2025	\$ 103,527,375	N/A

* - FYs 2019, 2020, 2021, 2022, 2023 and 2024 (Estimate) expenditure amounts include transfers of excess working capital of \$5.7M, \$7.2M, \$8.2M, \$10.2M, \$9.3M and \$15.1M respectively, to various funds such as the O&M, Non-Bond Capital, Capital Replacement, and Lake Ralph Hall reserve funds, to be drawn upon in lieu of future debt issues and / or offsets to rate requirements.

** - Estimate



ADMINISTRATION

The purpose of Administration is to facilitate the overall management and organizational focus of the District and to provide support services to the core operations. Administrative and support services include the office of the Executive Director, accounting and financial management, information technology management, human resource management, purchasing / procurement management, risk management and contract management. This also includes 100% of allocated expenses from the newly created Information Technology Fund (see the next section for more information).

MISSION

The Board of Directors sets the overall mission, values, and policies of the organization and is responsible for the District's operation in accordance with authority derived under Article XVI, Section 59 of the Texas State Constitution for the purpose of providing wholesale treated water and other services.

The Executive Director is the Chief Executive Officer responsible for the overall management and supervision of the District. This office is responsible for carrying out the policies and directives identified by the Board. A small support staff provides administrative assistance to the Board of Directors and the Executive Director.

Accounting and Finance, headed by the Chief Financial Officer, is responsible for maintaining the fiscal affairs of the District in a professional manner and consistent with generally accepted accounting principles and statutory requirements. Areas of responsibility include customer billing, accounts payable, payroll, accounts receivable, general ledger maintenance, capital asset records, investment activity, accounting, budget development and monitoring, preparation of the various system's rate models, the issuance of revenue bonds and short-term, variable rate debt, revenue and expenditure forecasting, financial reporting, and coordination with external financial audits.

The Human Resources and Purchasing/Risk Management Division is responsible for recruitment, training, selection, policy development and compliance, benefits administration, pay plan implementation, employee insurance management, central procurement, and Risk Management. The role of HR is to ensure that personnel matters are being handled both fairly, equitably, and without discrimination in accordance with good personnel practices and in compliance with applicable policies, regulations, and laws. Purchasing is responsible for procuring most commodities and services and is the management and control point for the acquisition of supplies and equipment on a decentralized basis throughout the District. Risk Management conducts assessments to define and analyze possible risks by developing risk management controls and systems.

The Governmental Affairs and Communications Division is responsible for overseeing the development and management of customer contracts for participation in the District's Regional Systems and Non-Potable Water System. The role of Governmental Affairs and Communications is to coordinate in a professional manner with each of the District's Customers to ensure services are available and being provided when needed. The Governmental Affairs and Communications Division is also responsible for public education and outreach of the District's watershed protection and water conservation programs. This includes educational demonstrations and tours, presentations to City Councils and local civic and community groups, and the installation coordination of the watershed protection signs throughout the local watersheds.

GOALS AND OBJECTIVES

OFFICE OF THE EXECUTIVE DIRECTOR

- Provide leadership to ensure that the District's overall mission and values are accomplished.
- Provide the Board of Directors with timely support and information.
- Ensure that all water and wastewater facilities and programs are operated in compliance with all applicable standards.
- Promote continued innovation and creativity in providing services in a more effective and cost-efficient manner.
- Maintain effective coordination, cooperation, and communication with local governments, State and Federal agencies and continue involvement in civic, professional, and community affairs.
- Motivate employees and encourage teamwork throughout the organization.

ACCOUNTING AND FINANCE

- Maintain effective long-term financial and operational plans.
- Manage cash and investments to optimize investment returns while ensuring the safety of principal and maintaining adequate liquidity to meet expenditures in a timely manner.
- Update policies and procedures to effectively maintain a culture of responsible fiscal stewardship that ensures the District meets expectations for continued strong financial performance.
- Manage the Regional Treated Water System Short-Term, Variable Rate Program.
- Process all invoices in a timely and accurate manner.
- Provide prompt and accurate management reports.
- Coordinate updates of the various systems' rate and cash flow models.
- Monitor budgeted funds for operations and capital appropriations.
- Develop forecasted budget data based on sound projection methodology.
- Maintain general ledger and related subsidiary ledgers.
- Coordinate external audit activities. Thoroughly prepare for the annual external audit to ensure a clean opinion and a positive Governance Letter.
- Manage revenue bond issues and Texas Water Development Board financings for systems' capital improvements.
- Process and monitor employee payroll to ensure timeliness and accuracy.

HUMAN RESOURCES AND PURCHASING

- Administer the classification and pay plan for the District to ensure that the pay and benefits package is competitive in the market.
- Ensure robust interviewing practices to attain quality candidates.
- Review personnel policies and practices and make recommendations for revisions.
- Manage the District's partially self-funded health care plan.
- Promote the general well-being of the workforce through assistance and guidance utilizing appropriate resources.
- Maintain and enforce procurement procedures to guide staff through the procurement process while maintaining adequate internal controls and compliance with State and Federal laws.
- Process purchase requests within three working days.
- Develop strategies to manage and mitigate risks by creating a culture of risk awareness and developing risk management controls and contingency plans.

PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Ensure timely and accurate Board agendas, reports, and minutes	Board Agendas mailed the Friday prior to the Thursday Board meeting and the Board Minutes approved at the next regularly scheduled Board meeting	100%	100%	100%
Payroll Processing	Process all bi-weekly and special payrolls within required timelines with a minimum accuracy rate of 99%	100%	100%	100%
Employment Rate	Maintain an annual average employment rate of 95% or greater (% of filled positions)	95.5%	97.1%	98.5%
Employee Benefits Administration	Process and maintain all employee benefits within policy requirements	100%	100%	100%
Staffing Requirements for LRH Project (Annual Work Plans – Functional)	Number of new positions added, or current positions transferred to the Lake Ralph Hall Project	1	0	0
Addressing staffing levels to support Operations & Maintenance of District Facilities (Annual Work Plans – Organizational)	Number of new positions added to Operations and Maintenance staff	6	5	6
District Overall Operating expense to budget	% of actual / estimated expenditures compared to the adopted amount for a specific fiscal year	107%	113%	100%
District Overall Operating revenue to budget	% of actual / estimated revenues compared to the adopted amount for a specific fiscal year	107%	105%	100%
Annual budget award submission	Annual budget receives GFOA Distinguished Budget Award	Y	Y	Y
Issue Annual Comprehensive Financial Report	Completion of Annual Comprehensive Financial Report and submitted to GFOA for review	Y	Y	Y
Variable Rate Financing Refunded (Annual Work Plans – Financial)	Number / Dollar Amount of Variable Rate Financing refundings completed by the Finance Division	0 N/A	2 \$30.0M \$65.0M	1 \$73.0M
TxDOT Project Financing (Annual Work Plan – Financial)	Number of TxDOT Capital Projects funded with Non-Bond Capital Reserves (No Rate Effect)	6 of 6	8 of 8	7 of 7
Engineering and Business Internships (Annual Work Plans – Educational)	Number of students participating in the District Intern Program created by the Human Resources Division	3	4	6

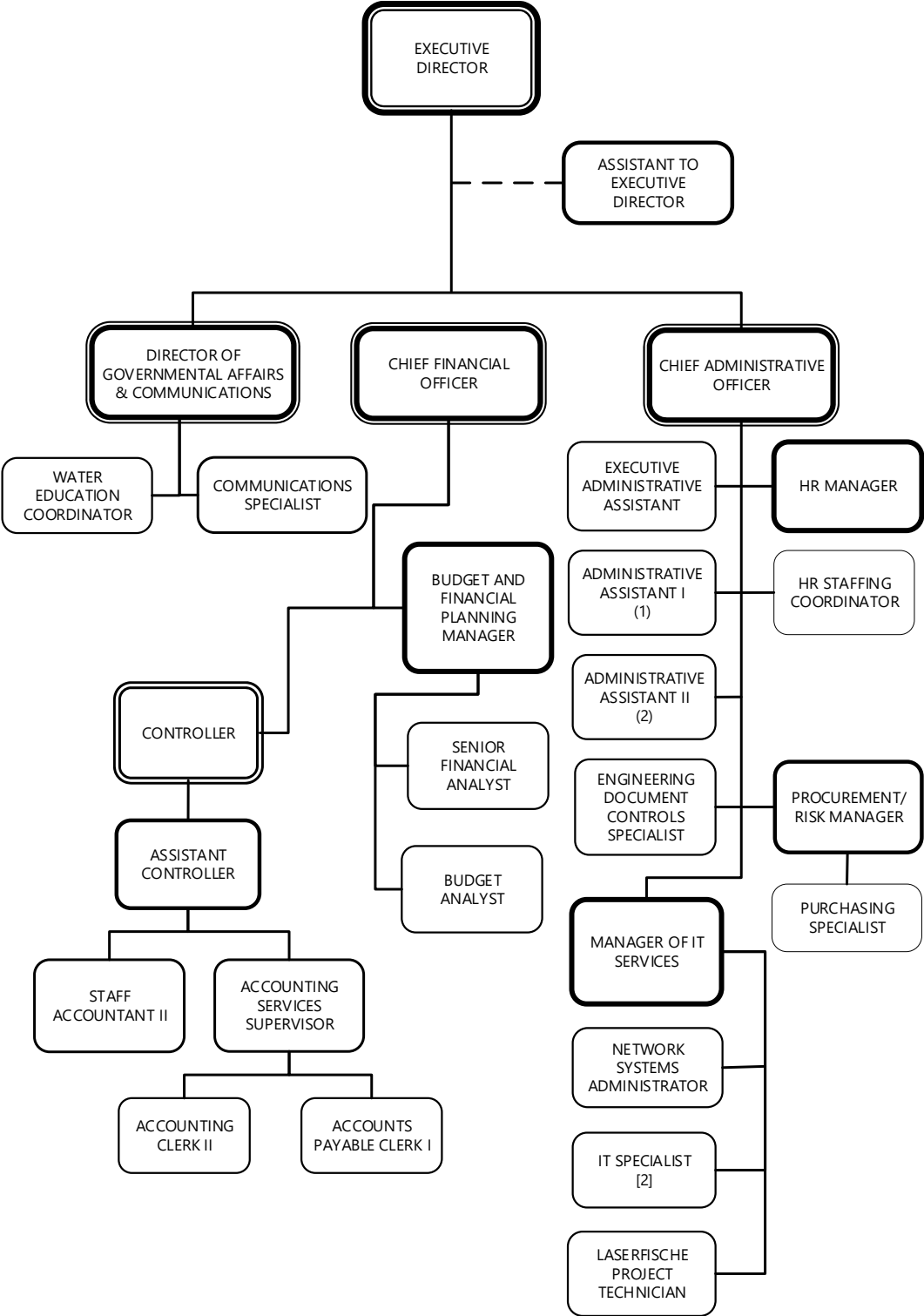
PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Website updated	Board Agenda and updated Board of Director information posted monthly	100%	100%	100%
Pay all undisputed invoices within 30 days	# of invoices paid within 30 days	100%	100%	100%
Purchase Orders Processing	Process all purchase orders within 3 business days of receipts of a correct and approved purchase requisition	100%	100%	100%
TWDB Financing Agreements Completed for LRH Project (Annual Work Plans – Financial)	Number / Dollar Amounts of Financing agreements completed by Finance Division for the Lake Ralph Hall Reservoir	1 \$110.0M	1 \$48.0M	1 \$260.6M
Expanding the District's Variable Rate Program from \$75.0 M to \$100.0 M (from 2024 Annual Work Plan – Financial)	Completion of negotiations with new Direct Purchase Program vendor, Wells Fargo , to increase the District's variable rate debt program from \$75.0 M to \$100.0 M.	N/A	Completed	N/A
District's Direct Purchase Program (from 2023 Annual Work Plan – Financial)	Develop relationship, protocols and appropriate controls for the new variable rate program with PNC Bank .	Completed	N/A	N/A
District's Variable Rate Program (from 2024 Annual Work Plan – Financial)	Develop relationship, protocols and appropriate controls for the new variable rate program with Wells Fargo Bank .	N/A	Completed	N/A
Bidding & Contracting	Bid and obtain contracts for commodities and services as requested within required timelines and in accordance with policy requirements	100%	100%	100%
Award of Bid/Contract	Finalize contracts, obtain approval, and award all bids and contracts within 90 days or less of bid due date	100%	100%	100%

PERSONNEL SUMMARY

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Executive Director	.50	.50	.50	.50
Assistant to the Executive Director	1	1	1	1
Chief Administrative Officer	0	1	1	1
Assistant Director for Administration	1	0	0	0
Chief Financial Officer	1	1	1	1
Director of Government Affairs and Communications	0	0	0	.75
Manager of Government Affairs and Communications	.25	.50	.50	0
Controller	1	1	1	1
Assistant Controller	1	1	1	1
Budget and Financial Planning Manager	1	1	1	1
Human Resources Manager	0	1	1	1
Senior HR Analyst	1	0	0	0
Procurement / Risk Manager	1	1	1	1
Accounting Services Supervisor	1	1	1	1
Water Education Coordinator	.20	.20	.20	.20
HR Staffing Coordinator	1	1	1	1
Senior Financial Analyst	1	1	1	1
Staff Accountant II	1	1	1	1
Purchasing Specialist	1	1	1	1
Communications Specialist	.20	.20	.20	.40
Budget Analyst	1	1	1	1
HR / Purchasing Technician	1	0	0	0
Senior Executive Secretary	1	1	1	0
Executive Administrative Assistant	0	0	0	1
Executive Secretary	2	0	0	0
Secretary	2	3	3	0
Administrative Assistant II	0	0	0	2
Administrative Assistant I	0	0	0	1
Accounting Clerk II	1	1	1	1
Accounts Payable Clerk	1	1	1	1
Engineering Staff (includes Eng. Doc. Control Specialist)	2.75	1.83	1.83	1.83
Total FTEs	24.90	23.23	23.23	23.68

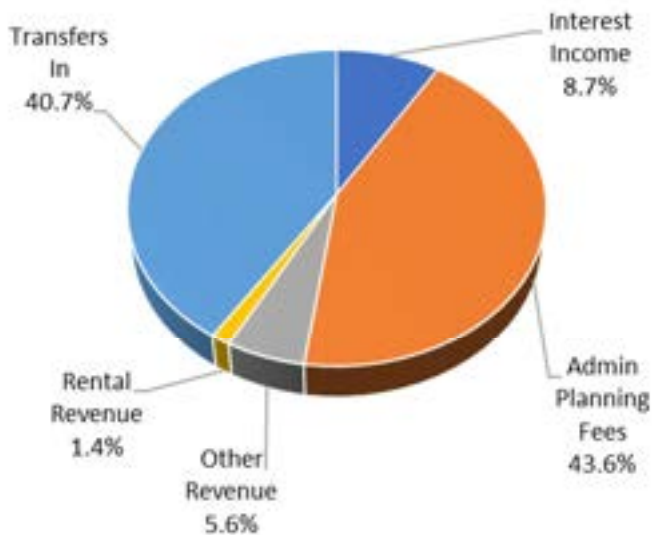
ORGANIZATIONAL CHART



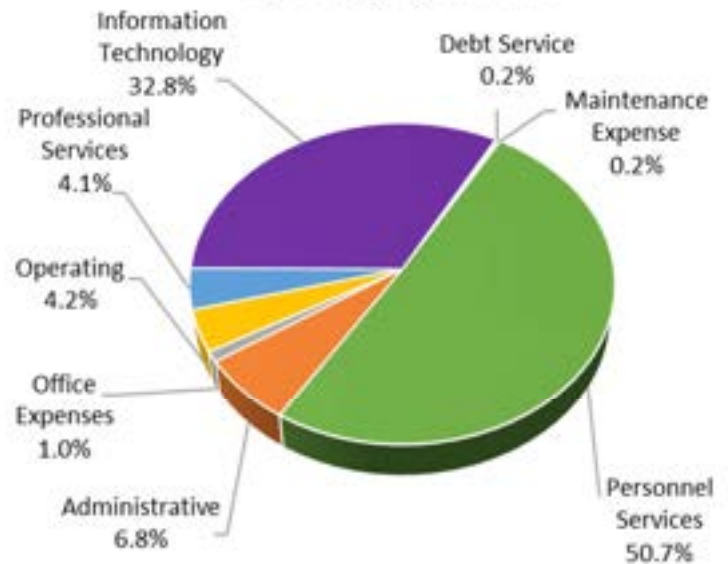
BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 259,096	\$ 219,086	\$ 222,827	\$ 274,352
Operating Revenue				
Interest Income	\$ 30,630	\$ 39,000	\$ 35,275	\$ 34,200
Admin Planning Fees	166,229	168,735	168,735	171,115
Other Revenue	19,656	19,000	19,355	22,000
Rental Revenue	4,948	5,235	5,410	5,390
Transfers In	160,000	160,000	160,000	160,000
Total Operating Revenue	\$ 381,463	\$ 391,970	\$ 388,775	\$ 392,705
Operating Expense				
Personnel Services	\$ 3,154,133	\$ 3,260,260	\$ 3,016,610	\$ 3,427,960
Administrative	332,965	457,155	412,900	460,365
Office Expenses	77,725	74,600	74,030	71,000
Professional Services	268,689	352,645	353,790	279,165
Operating	340,114	455,640	389,175	285,540
Information Technology	1,681,658	1,929,640	1,837,275	2,222,430
Shared Debt Payment	12,200	12,200	12,200	12,200
Transfers Out	86,584	-	-	-
Maintenance Expense	3,792	16,440	17,970	16,175
Total Operating Expense	\$ 5,957,860	\$ 6,558,580	\$ 6,113,950	\$ 6,774,835
Allocation to Operations & CIP	(5,540,128)	(6,203,445)	(5,776,700)	(6,409,135)
Net Operating Expense	\$ 417,732	\$ 355,135	\$ 337,250	\$ 365,700
Ending Balance (Operating Cash)	\$ 222,827	\$ 255,921	\$ 274,352	\$ 301,357

Operating Revenues



Operating Expenditures



SUMMARY OF MAJOR CHANGES

FEE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Minimum fee	\$500	\$500
Population up to 5,000	\$0.435 per capita	\$0.435 per capita
Population 5,001 to 25,000	\$0.244 per capita	\$0.244 per capita
Population over 25,000	\$0.096 per capita	\$0.096 per capita

REVENUE

- Adopted fees for FY 2025 are based on 2024 population estimates from several sources, including the North Central Texas Council of Governments, Member / Customer, and Texas Water Development Board surveys.
- Other Revenue includes estimated non-direct service revenues such as credit card rebates and auction proceeds from retired assets.
- Rental Revenue reflects rental income estimated for the 802 N. Kealy Avenue building and is reallocated to operating funds to offset total allocated debt for this facility.
- The Transfer In from the Regional Treated Water System (\$100,000) and the Northeast Regional Water Reclamation System (\$60,000) is the customer surcharge that assists in funding administration services.
- Interest income is representative of current market conditions.

EXPENSES

PERSONNEL SERVICES

- The adopted budget for Administration provides funding for 23.68 full-time equivalent positions.

ADMINISTRATIVE

- Memberships, Dues, and Subscriptions expense includes increases to the annual cost for various professional organizations for the District (entity memberships) and for individual staff members.
- Employee Recognition Program expense increases due to projected higher food costs for the District's quarterly employee luncheons and recognition program, as well as additional costs projected for the annual employee event.
- As interest rates stay above a certain amount, no bank fees are charged to the District.
- Property tax expense assessed by Denton County for the 802 N. Kealy rental property is estimated to increase by approximately 6.5% from the actual property tax assessed for the 2024 calendar year.
- Equipment and Furniture less than \$5,000 (non-capitalized assets) includes administrative items such as desks, office chairs, and filing cabinets that cost less than \$5,000.

PROFESSIONAL SERVICES

- Legal expense increase is due to the bi-annual funding of \$15,000 for monitoring of pending legislation during the 2025 Texas Legislature session that might affect District operations.

- Other Outside Services include aquarium maintenance, employee drug testing, pest control, job applicant background checks, backflow preventor inspections, etc. The large decrease for this expense category is the result of completing a market salary study in FY 2024.

OPERATING

- Vehicle expense decreases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by Engineering / Construction / Administrative staff.
- Uniforms expense include the cost of providing work shirts, boots, etc., to Engineering / Construction staff.
- Equipment and Furniture greater than or equal to \$5,000 decreases due to not having any requests to purchase capital assets for FY 2025.
- Maintenance Expense is for the 802 N. Kealy rental property. The portion of the adopted Maintenance budget allocated to this property is 1.50% (no change from FY 2024) based on work orders.

INFORMATION TECHNOLOGY

- The Information Technology (IT) expense includes all IT costs for the District. Further details are available in the Information Technology Fund section of this budget document.

SHARED DEBT PAYMENT

- The Shared Debt payment funds a direct portion of debt service related to the administrative offices, Board Room, and administrative annex at 802 N. Kealy.

MAINTENANCE EXPENSE

- The account reflects the allocated portion (0.50%) of the adopted Maintenance budget to the 900 and 802 N. Kealy administrative offices.

ALLOCATION TO OPERATIONS & CIP

- The Administration Fund is funded by the Administration and Planning fees (5.0%) with the remaining costs (95.0%) allocated to the District's operating systems and capital projects of the District.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Issue Comprehensive Annual Financial Report which conforms to program standards of the Governmental Finance Officers Association that must satisfy both generally accepted accounting principles and applicable legal requirements.
 - *The District received its twenty-third consecutive Certificate of Achievement award for Excellence in Financial Reporting.*
- ✓ Submitted Operating and Capital Budgets which conform to program standards of the Governmental Finance Officers Association that must satisfy nationally recognized guidelines for effective budget presentation.
 - *The District submitted and received its fifteenth Distinguished Budget Presentation Award.*
- ✓ Process bi-weekly payroll accurately and timely.
 - *Processed 26 bi-weekly payrolls within the allowable time for direct deposit.*
- ✓ Administer the benefits package.
 - *Processed approximately \$2,239,636 of medical claims and approximately \$1,002,089 of Medical Stop-Loss Claims.*
 - *Teladoc services available with an annual utilization of 25.1% with an estimated District savings of \$8,931.*
 - *Successfully negotiated the employee health insurance contract with the current provider and Stop Loss Carrier.*
 - *Added multiple new 100% employee funded voluntary insurance options*
 - *Approximately 50% of employees contributing to Mission Square 457 (b) Plan are also contributing to the ROTH option.*
- ✓ Recruit capable candidates for vacant positions.
 - *Worked with Directors, Managers, Superintendents, and Supervisors to successfully advertise, interview, and fill 17 vacant full-time positions.*
- ✓ Continued contract renewal for the Wastewater Internship Program with Tarrant County College (TCC).
 - *The program was expanded to all District Water Reclamation Plants and an agreement was renewed with one junior college that offers the internship program.*
- ✓ Continued the District's Summer Intern Program to support the Engineering and Business Divisions and Operations.
 - *The District had six interns participating in the District's summer intern program from May thru August 2024.*

- ✓ Began new employment outreach by participating in local job fairs, high school career days and college career fairs.
 - *Participated in Lewisville Independent School District's High School Career Day (2-29-24)*
- ✓ Continued to monitor and manage the Direct Purchase Program.
 - *As of September 30, 2024, \$45.23M (Net) out of an authorized \$100.0M credit line has been utilized to fund various capital projects identified in the Regional Treated Water System.*
- ✓ Prepared and processed bid documents.
 - *Completed 12 competitive sealed bids.*
 - *Completed 49 contract renewals.*
 - *Processed / Issued 202 Purchase Orders for a total of \$2.8 million.*
 - *Processed / Issued 11 new contracts.*
- ✓ Continue to expand the Watershed Protection Program.
 - *Conducted quarterly water quality sampling at five different locations within the Lewisville Lake watershed to monitor stream flow, dissolved oxygen, pH factor, and other parameters.*
 - *Completed water quality sampling at the designated stream locations within the Lewisville Lake watershed quarterly during FY 23-24 and reported the results to the appropriate regulatory agencies.*
 - *Continued the operation of the Upper Trinity Conservation Trust as a 501(c)(3) land trust to acquire conservation easements or fee simple ownership of riparian buffer areas along streams and creeks as a means of protecting the water quality in local water supplies.*
 - *The UTCT Board of Directors met at least three times during FY 23-24 to consider financial and policy matters and to discuss on-going conservation projects.*
 - *Staff continue to maintain more than 200 watershed signs (GIS identified and included in District databases) installed along roads and creeks throughout the Lewisville, Grapevine, and Ray Roberts Lakes' watersheds as well as the Trinity River and North Sulphur River watersheds*
 - *Continued providing outreach and education opportunities to civic groups, students, and others about being good stewards of our land and water resources, emphasizing the need to keep our watershed clean 'right where we live'.*
 - *To enhance its outreach and education efforts, the District acquired a stream erosion trailer from Oklahoma State University to demonstrate stream flow, the causes of erosion, the importance of vegetation along streams, and ways to better manage watersheds to reduce erosion. The North Texas Community Foundation provided funds for half of the purchase of the trailer.*
 - *UTRWD provided education and outreach related to water conservation and watershed protection throughout FY 23-24 through its summer media campaign, monthly Water Talks, outdoor festivals, civic group presentations, monthly conservation coordinator calls, media releases, social media posts, and other methods.*
 - *The Upper Trinity Conservation Trust and Denton County, continue to implement the Greenbelt Master Plan for Denton County to protect greenbelt areas and riparian assets and to create a common vision for voluntary participation in preserving these irreplaceable assets.*
 - *Held an educational event to promote preservation and protection of riparian areas.*

INFORMATION TECHNOLOGY

The core purpose of Information Technology is to address the technological needs of the District while providing vital support services to its foundational operations. This encompasses a range of services such as conceptualizing, upkeeping, and expanding primary and secondary network communications, overseeing the District's infrastructure, while ensuring holistic security measures. Other responsibilities involve providing a well-handled help desk, efficient management of IT assets and strategic planning, monitoring vendor contracts and their outcomes, enabling adaptable and secure access from any location, guaranteeing adherence to license agreements, administering audiovisual setups, supervising intrusion, and access control frameworks, and managing video surveillance systems.

The Information Technology Division is designated under the umbrella of Administration, with the IT Manager reporting to the Chief Administrative Officer. The IT budget, however, is shown separately.

MISSION

Information Technology Services is responsible for managing technological support of the District to identify and respond to its changing needs through fiscally responsible collaboration and innovation. This includes overseeing network security, maintaining hardware components, operating system, and application software, providing help desk support and training, ensuring compliance with all software license agreements, backup of all District data, managing audio-visual systems, District intrusion alarm, access control, video surveillance systems, and design and maintenance of primary and secondary communications systems for the District's networks.

GOALS AND OBJECTIVES

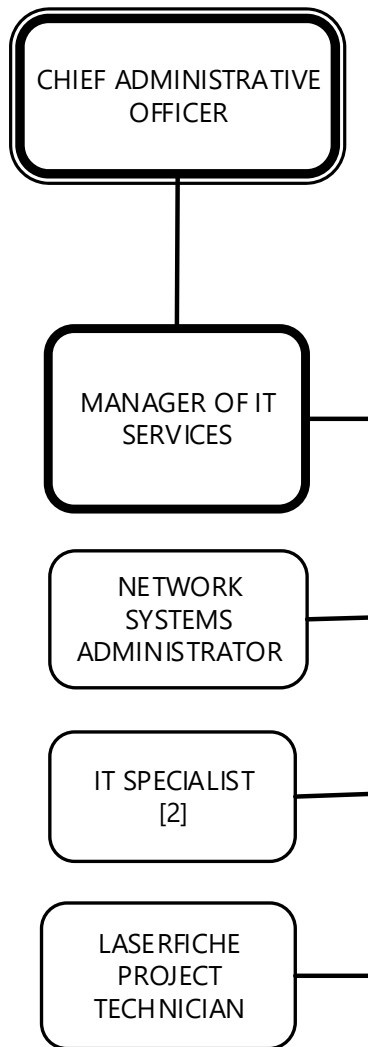
- **Optimize IT Infrastructure:** Assess and optimize the organization's IT infrastructure including planning, procurement, installation, deployment, staff training and maintenance for all technology products of the District.
- **Efficiency Enhancement:** Improve the efficiency of processes and operations through the implementation of technology solutions, leading to increased productivity while maintaining appropriate safeguards for cyber security threats.
- **Upgrade Legacy Systems:** Gradually modernize or replace outdated systems to improve performance, compatibility, and security while maintaining business continuity.
- **Achieve High Availability:** Implement redundancy and failover mechanisms to ensure that critical systems are available and operational with minimal downtime.
- **Security and Privacy:** Ensure the confidentiality, integrity, and availability of data and systems by implementing robust security measures and adhering to industry best practices for data protection and privacy.
- **Collaboration and Communication:** Enable seamless communication and collaboration among teams and departments by implementing tools and systems that facilitate information sharing and teamwork.
- **Manage District Data:** Manage the District's Laserfiche Project to ensure documents are electronically catalogued.

PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Servers, desktop and laptop computers, mobile devices maintained	% of total number of hardware components maintained	100%	100%	100%
Network reliability	Calculation of network operational days as a percentage of total available network days	100%	100%	100%
Monitor life cycles of all District devices and software to ensure continued support and plan for end-of-life replacement	% of total number of devices and software life cycles monitored	100%	100%	100%
Backup of all District data, using a hybrid system, including an on-premises device and transfer of backup data to remote virtual servers	Calculation of data backed up as a percentage of total District data store	100%	100%	100%
Development of intranet (from Annual Work Plans)	Completion of Intranet site for Human Resources	On-going	On-going	Complete

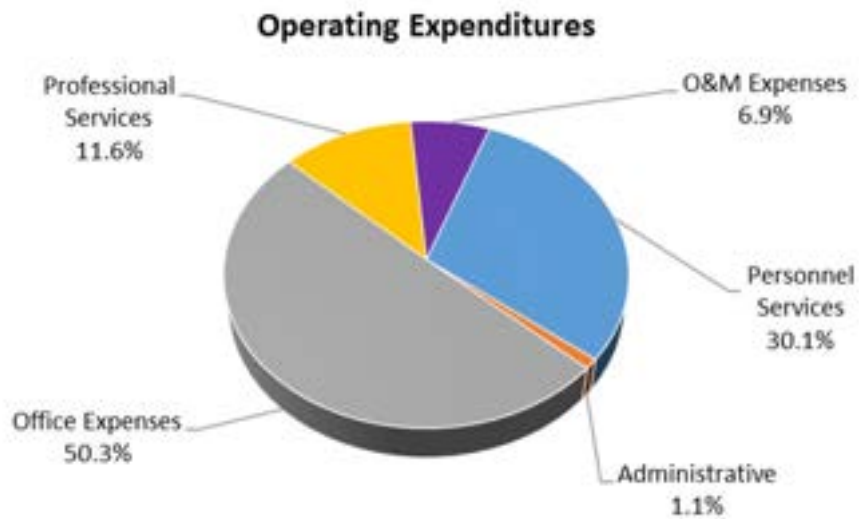
PERSONNEL SUMMARY / ORGANIZATIONAL CHART

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Manager of IT Services	1	1	1	1
Network Systems Administrator	1	1	1	1
IT Specialist	2	2	2	2
Laserfiche Project Technician	0	1	1	1
Total FTEs	4	5	5	5



BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ -	\$ -	\$ -	\$ -
Operating Expense				
Personnel Services	\$ 554,063	\$ 650,125	\$ 618,905	\$ 668,045
Administrative	9,127	22,790	20,665	23,485
Office Expenses	955,484	1,024,025	950,140	1,119,325
Professional Services	123,622	191,100	213,120	257,675
O&M Expenses	39,362	41,600	34,445	153,900
Total Operating Expense	\$ 1,681,658	\$ 1,929,640	\$ 1,837,275	\$ 2,222,430
Allocation to Administration	(1,681,658)	(1,929,640)	(1,837,275)	(2,222,430)
Ending Balance (Operating Cash)	\$ -	\$ -	\$ -	\$ -



SUMMARY OF MAJOR CHANGES

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 5.00 full-time equivalent positions.

ADMINISTRATIVE

- Insurance – Property, General Liability, and Vehicle reflects a decrease due to projecting a 7.0% increase from the actual FY2024 expense amount paid.

OFFICE EXPENSES

- Computer Equipment and Supplies cost includes employee startup (eight new positions) and replacement equipment, the purchase of a new Stratus System hard drive, annual software licenses, software support, and subscription services. Major items include Open GOV (previously Cartegraph) CMMS subscription, Tableau licenses, Incode software, Microsoft 365 with Online access, Laserfiche, and ArcGIS subscription and hosting.

PROFESSIONAL SERVICES

- Other Outside Service expense includes Security Compliance / Penetration testing services and the cost of installing additional security cameras at operating facilities around the District's service area.
- Equipment Service increase is due to the addition of a maintenance and support contract for the new Humanity Media service (writing and digital design for District websites) and for the Thin Manager SMR V-Flex software to provide redundancy and failover and enhance security with District HMI and SCADA software.

O&M EXPENSES

- Vehicle expense decrease is due to establishing a budget amount that is more in line with prior and current year costs. This expense category includes the cost of fuel, tolls, and maintenance for the two vehicles assigned to the Information Technology Department.
- The Machinery, Equipment, and Tools account decreases due to having purchased Drones and related equipment in FY 2024. Minimum funding is reflected to purchase minor equipment / tools.
- Equipment and Furniture greater than or equal to \$5,000 includes:
 - Upgrade and update of the District's VOIP (Voice Over Internet Protocol) phone system – \$100,000
 - Replacement of a copier (Riverbend Plant) – \$9,000
- Replacement of a copier (Peninsula Plant) – \$9,000.

ALLOCATION TO ADMINISTRATION

- Total operating expenses for the Information Technology budget are allocated to the Administration Fund and subsequently distributed to District operating systems and capital projects.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Continue to enhance cybersecurity awareness.
 - Partnered with unbiased Security and Compliance firms to perform Vulnerability Assessments and Penetration Testing on all District endpoints. These evaluations help identify risks and implement recommendations based on industry best practices.
 - Developed and delivered an updated cybersecurity training curriculum to all District employees throughout the year, reinforcing awareness of new and evolving cyber threats.
 - Continued the use of simulated phishing campaigns to assess our user base, identifying areas that need further training and support.

- ✓ Continued development of Intranet site.
 - Implementing the necessary technology infrastructure to support Intranet application needs.
 - Continued collaboration with stakeholders gathering functional requirement needs. This includes defining content types, document management needs, search functionality, and workflows.
 - Developing a project plan.
 - Solution design in progress.

- ✓ Continued efforts to enhance data services through network improvements.
 - Collaborated with vendors to design and implement microwave network systems for redundant network communication for the Lake Ralph Hall conveyance system.
 - Legacy Equipment Upgrades: Ongoing replacement of outdated network devices throughout the District.
 - New Network Resources: Implemented additional network resources to support District growth.

- ✓ Audio Visual design for Annex building expansion.
 - Developed plans to install DVLED screen technology as the primary video solution for the large meeting space.
 - Renovations will include a centralized control system for managing audio-visual elements.

- ✓ Instrumentation & Control (I&C) Contributions for Lake Ralph Hall.
 - Participated in construction meetings with third party integrators for instrumentation and control workshops related to the Lake Ralph Hall pump station, balancing reservoir, and delivery point construction.
 - Network Communication Design: Engaged in meetings focused on network communication design needs for the same projects.

- ✓ Remote Communications Project Implementation.
 - Phase 1 Progress: Continued the installation of permanent cellular communication solutions at various metering vaults as part of the Phase 1 upgrade.

- Collaborated with an integration team to install updated PLC components at remote sites.
- ✓ Technology Upgrades for Conference Rooms.
- Virtual Meeting Enhancements: Completed technology upgrades in District conference rooms to improve sound and video quality, catering to the growing trend of remote meeting participation.

WATER RECLAMATION SYSTEMS

The District is committed to protecting public health and raw water supplies by providing superior wastewater treatment for our customers and anticipating future treatment requirements using responsible planning practices. The Northeast Regional Water Reclamation System (NERWRS), consisting of the Riverbend Plant and the Doe Branch Plant, and separately the Peninsula Water Reclamation Plant (PWRP), serve the northeastern portion of Denton County, generally north of Lewisville Lake and east of Highway 377. The Lakeview Regional Water Reclamation System (LRWRS) serves the communities generally west of Lewisville Lake.

MISSION

Our mission is to provide superior wastewater treatment 365 days a year that meets or exceeds all state and federal regulations. The District will hire and train qualified staff to operate and maintain the treatment facilities. The Operations Department will be a leader in the wastewater utilities field.

GOALS AND OBJECTIVES

- Discharge effluent from District water reclamation facilities that meets all regulatory treatment requirements.
 - Maximize redundancy by ensuring that treatment plant and collection system equipment and emergency power generators are adequately sized, operated, and maintained so that wastewater can be transported and treated at water reclamation plants at all times.
 - Zero permit violations.
 - Achieve Platinum Award from National Association of Clean Water Agencies.
 - Monitor plant influent and effluent daily.
 - Using industry-recognized process control methods, make operational treatment changes necessary to produce superior quality effluent.
 - Dewater and arrange for timely transport and disposal of all biosolids.
 - Maintain a trained and highly qualified operations staff.
- Maintain all water reclamation facilities to the highest standard of operational efficiency.
 - Zero operational downtime for critical infrastructure and equipment.
 - Timely repair of all equipment.
 - Operate and maintain equipment as specified in O&M manuals.
 - Scheduled maintenance performed according to manufacturer's recommendations.
 - Monitor equipment constantly and address any maintenance requirements promptly.
 - Be cognizant of new, or improved, methods and equipment that would benefit Operations, Maintenance, and the communities we serve.
- Maintain facilities with a good neighbor policy.
 - Minimize and address all complaints from host community to the best of our ability.
 - Maintain and monitor odor control facilities routinely.
 - Schedule routine maintenance of buildings and fences.
 - Keep landscaped areas in top condition year-round.
 - Monitor grounds daily and address any maintenance requirements promptly.
 - Offer educational tours of water reclamation facilities to local schools and other organizations.
- Maintain security / safety of systems and resources.
 - Secure all the District's remote facilities by use of cameras and other means necessary.
 - Continue to develop and implement new requirements for data management to facilitate data sharing and data analysis and ensure that this data is safely stored.

- Manage the Supervisory Control and Data Acquisition System (SCADA) to ensure maximum benefit and minimal down time.
- Take steps to improve networking, SCADA, and communications system needs to actively monitor all remote facilities and stay up to date with current technology.
- Maintain all plant communication and networking systems within industry guidelines and update hardware and software as needed to keep all systems operating efficiently.

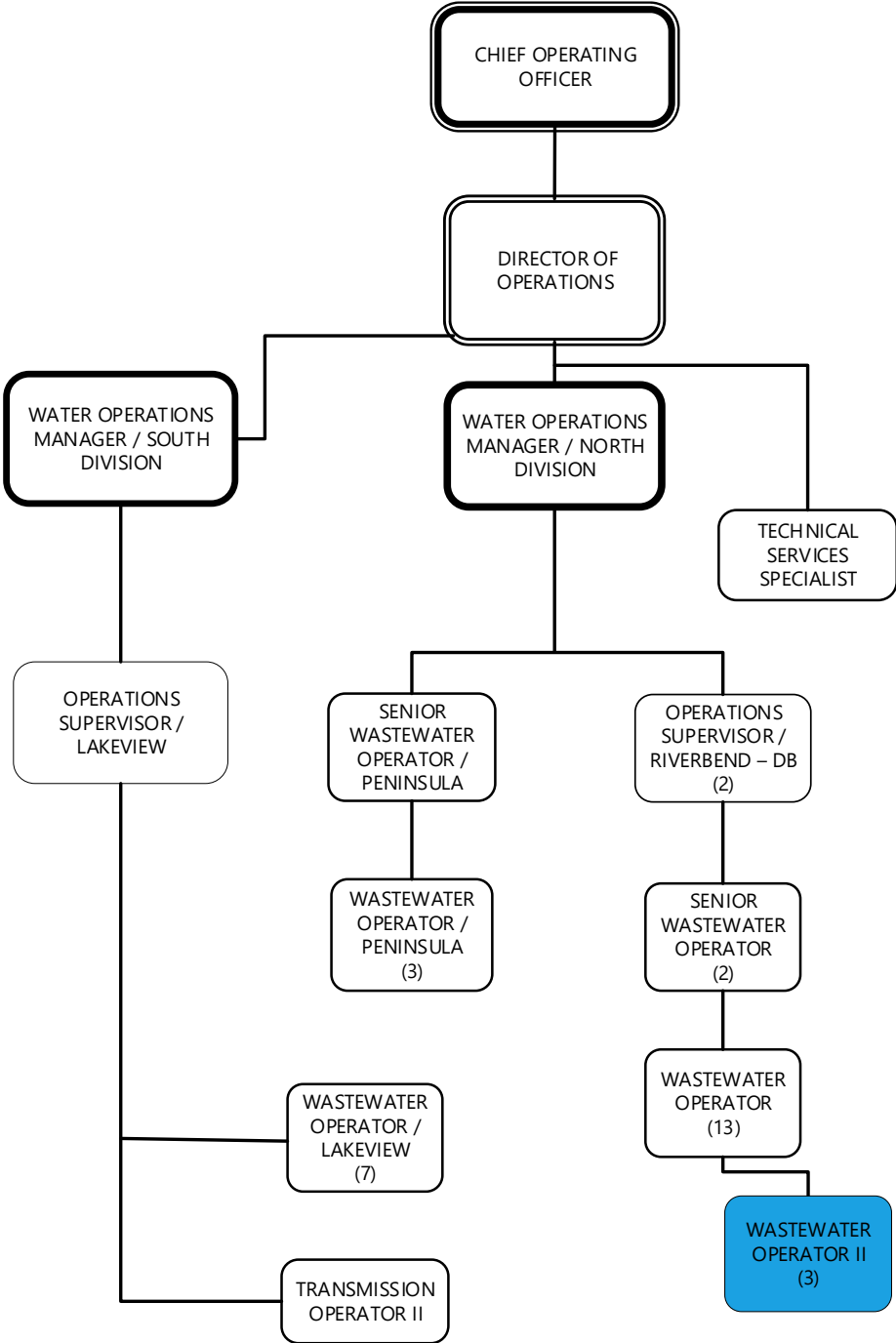
PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Effluent Quality	Achieve 100% regulatory compliance / NACWA Award - All District Water Reclamation Plants	100% / Platinum	100% / Platinum	100% / Platinum
Process Control Testing	Ratio (%) of tests completed / total tests required - All District Water Reclamation Plants	200%	200%	200%
Biosolids Processing	Number of tons of biosolids processed and hauled to disposal			
	- Lakeview	1,362	1,400	1,400
	- Riverbend	859	1,100	1,100
	- Doe Branch	1,897	2,000	2,000
	- Peninsula	426	500	500
Equipment Shutdowns	Percent of time critical equipment is available - All District Water Reclamation Plants	>99%	>99%	>99%
Complaints From Neighbors / Addressed	Number of odor complaints per year / percent addressed - All District Water Reclamation Plants	3 / 100%	0 / 100%	0 / 100%
Lift Station Assessments (from Annual Work Plans – Functional)	Percentage of budgeted funds expended by District staff to complete a condition assessment of all District water reclamation lift stations / Percentage of budgeted funds spent to complete design / improvements	100%	100%	100%
TCEQ Discharge Permits (from Annual Work Plans – Functional)	Finalize the discharge permits for certain Water Reclamation Plants			
	- Lakeview	Completed	N/A	N/A
	- Riverbend	Completed	N/A	N/A

PERSONNEL SUMMARY

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Chief Operating Officer	0	0	0	.50
Director of Operations and Water Resources	.50	.50	.50	0
Director of Operations	0	0	0	.55
Deputy Director of Operations	0	.55	.55	0
Assistant Director of Operations	.55	0	0	0
Water Operations Manager North Division	0	.50	.50	.50
Electrical Engineer	.15	.15	.15	.15
Operations Supervisor Lakeview	0	0	0	1
LRWRS/Peninsula Operations Superintendent	1	1	1	0
Operations Supervisor - Riverbend / Doe Branch	1	2	2	2
Regulatory & Environmental Compliance Coordinator	.15	.08	.08	.08
Technical Services Specialist	.55	.55	.55	.55
Senior Wastewater Operator - Peninsula	0	1	1	1
Senior Wastewater Operator	3	3	3	3
Senior Transmission Operator	.50	0	0	0
Wastewater Operator III	8	11	11	8
Transmission Operator	0	.50	.50	.50
Wastewater Operator II	6	8	8	12
Wastewater Operator I	7	3	3	5
Process Controls Analyst	0	0	0	.50
Total FTEs	28.40	31.83	31.83	35.33

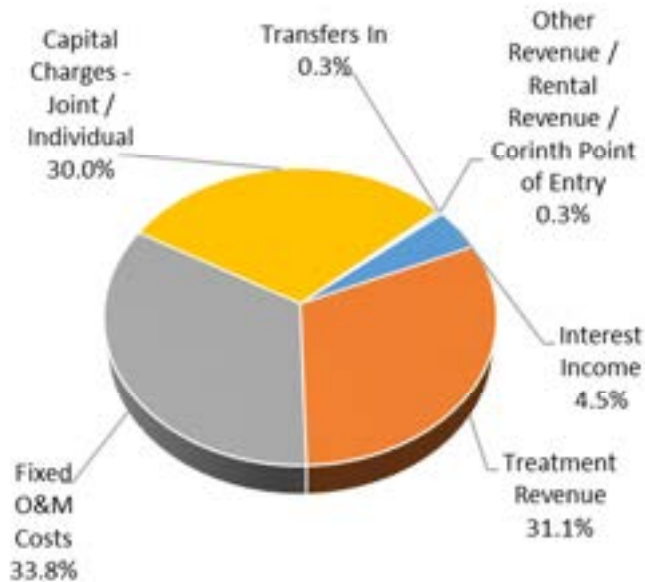
ORGANIZATIONAL CHART



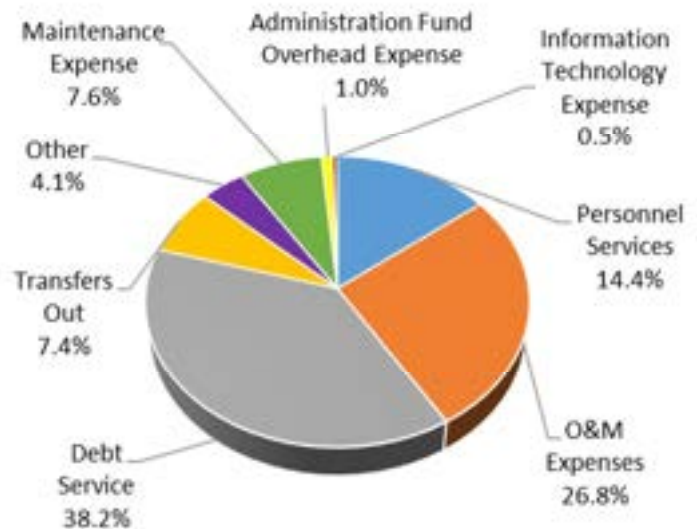
BUDGET SUMMARY – LRWRS

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 1,880,662	\$ 2,067,122	\$ 2,119,563	\$ 2,130,548
Operating Revenue				
Interest Income	\$ 289,925	\$ 418,500	\$ 342,260	\$ 339,500
Treatment Revenue	2,028,956	2,262,375	2,641,530	2,321,365
Fixed O&M Costs	2,367,453	2,441,555	2,441,555	2,525,315
Capital Charges - Joint / Individual	2,953,306	2,179,825	2,179,825	2,236,685
Transfers In	7,031	-	354,815	20,510
Corinth Point of Entry	11,871	11,320	12,665	11,320
Other Revenue	21,221	11,300	30,230	3,350
Rental Revenue	4,498	4,760	4,915	4,900
Total Operating Revenue	\$ 7,684,261	\$ 7,329,635	\$ 8,007,795	\$ 7,462,945
Operating Expense				
Personnel Services	\$ 909,276	\$ 975,810	\$ 971,370	\$ 980,520
Administrative	121,667	160,430	154,175	157,470
Office Expenses	4,586	2,900	3,210	3,150
Professional Services	60,703	67,835	60,430	71,075
O&M Expenses	1,665,267	1,742,510	1,846,015	1,816,630
Debt Service	3,033,468	2,581,440	2,581,445	2,592,935
Transfers Out	1,221,491	412,725	1,597,285	501,770
Shared Debt Payments	33,400	33,400	33,400	33,400
DCFWSO #7 - Corinth Point of Entry	10,684	10,190	11,400	10,190
Maintenance Expense	298,783	509,700	557,110	517,640
Administration Fund Overhead Expense	62,512	127,640	126,270	66,845
Information Technology Expense	23,523	53,600	54,700	32,875
Total Operating Expense	\$ 7,445,360	\$ 6,678,180	\$ 7,996,810	\$ 6,784,500
Ending Balance (Operating Cash)	\$ 2,119,563	\$ 2,718,575	\$ 2,130,548	\$ 2,808,993

LRWRS Operating Revenues



LRWRS Operating Expenditures



SUMMARY OF MAJOR CHANGES - LRWRS

SUBSCRIBED CAPACITIES

Entity	FY 2024 Budget	FY 2025 Budget
Bartonville	0.0378 mgd	0.0378 mgd
Corinth	1.6080 mgd	1.6080 mgd
DCFWSD #7	0.8440 mgd	0.8440 mgd
Double Oak	0.0080 mgd	0.0080 mgd
Highland Village	1.6500 mgd	1.6500 mgd
Lake Cities MUA	1.1810 mgd	1.1810 mgd
Total	5.3288 mgd	5.3288 mgd

PROJECTED FLOWS

Entity	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Bartonville	0.0040 mgd	0.0070 mgd	0.0040 mgd
Corinth	1.4100 mgd	1.4521 mgd	1.4100 mgd
DCFWSD #7	0.8400 mgd	0.8931 mgd	0.8400 mgd
Double Oak	0.0025 mgd	0.0049 mgd	0.0025 mgd
Highland Village	1.3500 mgd	1.7518 mgd	1.3500 mgd
Lake Cities MUA	1.0500 mgd	1.1424 mgd	1.1000 mgd
Total	4.6565 mgd	5.2513 mgd	4.7065 mgd

RATE STRUCTURE

	FY 2024 Budget	FY 2025 Budget
Treatment Rate	\$1.35 / 1,000 gallons	\$1.37 / 1,000 gallons
Fixed O&M Charge*	\$458,180 / mgd	\$473,900 / mgd

*Fixed O&M does not include Capital Charges. Capital Charges for Joint and Individual Facilities are combined and identified by individual entity on the next page.

CAPITAL CHARGES FOR JOINT / INDIVIDUAL FACILITIES

Entity	Individual	Joint	Total
Bartonville	\$5,300	\$10,200	\$15,500
Corinth	\$80,515	\$434,000	\$514,515
DCFWSO #7	\$458,590	\$227,795	\$686,385
Double Oak	\$9,640	\$2,160	\$11,800
Highland Village	\$204,870	\$445,335	\$650,205
Lake Cities MUA	\$39,525	\$318,755	\$358,280
Total	\$798,440	\$1,438,245	\$2,236,685

REVENUE

- Interest Income is representative of current market conditions.
- Treatment and Transportation Revenue reflects the projected flows at the adopted treatment rate and recovers variable costs of the System.
- Fixed O&M Charges for Joint Facilities are assessed to recover fixed costs of the System, not including debt service costs.
- Capital Charges for Joint / Individual Facilities are assessed to recover debt service costs associated with capital facilities for a particular customer. The adopted FY 2025 capital charges are based on the allocated debt service requirement for each entity's individual pipeline(s), as well as their portion of joint debt.
- Transfers In consist of:
 - \$20,550 – From the Vehicle and Equipment Replacement Reserve to offset the LRWRS' allocated portion of the Maintenance budget (16.0%), plus another 0.41% for the Administration Fund's and Non-Potable Water Systems' Maintenance allocation portion (total of 16.41%), for the purchase of two vehicles (shown in the Maintenance budget) for the newly requested Process Controls Analyst and Electrician II positions for FY 2025.
- Corinth point-of-entry near I-35E transportation charge is collected and credited to DCFWSO #7 (Lantana) for rental of pipeline capacity.
- Other Revenue includes non-direct service revenues such as the annual payment from Lake Dallas animal shelter and auction proceeds from retired assets.
- Rental Revenue includes the pro rata share of rental income from the 802 N. Kealy Avenue building.

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 8.28 full-time equivalent positions. This includes 15.0% of the costs for a new Process Controls Analyst position.

ADMINISTRATIVE

- Memberships, Dues, and Subscriptions expense includes the annual cost of various professional organizations (WEAT, NACWA, TACWA, WEF) for LRWRS staff.
- Conference, Training, and Travel expense includes registration and travel expenses for various professional organization conferences, and expenses for annual continuing education training for

wastewater operators. The decrease for this expense category was necessary to reflect a budget amount that is more in line with prior year expenditures. Additionally, more operators from the previously shared staff between the Lakeview and Peninsula Plants, have been assigned to the Peninsula Plant after the recent completion of the capital project that increased the treatment capacity at the Peninsula Plant from 0.94 mgd to 2.00 mgd.

PROFESSIONAL SERVICES

- Engineering expense includes funding to complete regulatory updates to the District's Emergency Response Plan. This funding is shown in all District operating budgets for FY 2025.

O&M EXPENSES

- Vehicle expense decreases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by LRWRS staff.
- Plant and Equipment Maintenance expense includes all general repairs and upkeep for all pumps, blowers, lift station equipment, motors, etc. The increase is based on FY 2024 year-to-date spending and the age of the Lakeview facilities.
- Pipeline Maintenance expense includes leak detection, repairs, and supplier for the upkeep of the System's trunk mains and interceptors. The decrease from FY 2024 is due to setting the budget amount closer to actual prior year expenditures.
- Chemicals expense increases due to projected price increases from upcoming chemical contract renewals and from pricing volatility in the oil and petroleum industry.

DEBT SERVICE

- Debt Service expense increase is due to the principal payments for the 2012, 2012A, and 2020 Refunding Bonds increasing from FY 2024.

SHARED DEBT PAYMENTS

- Shared Debt Payments fund a direct portion of debt service related to the administrative offices and Board Room.

TRANSFERS OUT

- Transfers Out consist of:
 - A contribution of \$200,000 to the Non-Bond Capital Reserve is recommended to allow for equity cash funding of future capital projects
 - A contribution of \$171,785 to the Capital Replacement Reserve is provided for in the treatment rate at \$0.10 / 1,000 gallons (same as FY 2024) based on projected flows.
 - A contribution of \$121,985 to the Vehicle and Equipment Replacement Reserve is calculated according to the quantity and age of District owned vehicles and equipment assigned to this System. The increase in this contribution is due to purchasing all previously leased vehicles and needing sufficient funds available for their future replacement.
 - A contribution of \$8,000 to the Plant Permitting Reserve is to accumulate funds for the next renewal of the Texas Pollutant Discharge Elimination Permit renewal for the Lakeview Plant beginning in FY 2028.
 - An FY 2024 contribution of \$1,106,385 to the Non-Bond Capital Reserve from excess working capital to provide equity cash funding for future capital projects.
 - An FY 2024 contribution of \$50,000 to the O&M Reserve from excess working capital to decrease the required contribution amount from rates in FY 2025.

DCFWSD #7- CORINTH POINT OF ENTRY

- Corinth Point of Entry transportation charge is collected and credited to DCFWSD #7 – Lantana for rental of pipeline capacity. To better identify it, this is shown as a variable expense instead of a reduction against the anticipated treatment revenue.

MAINTENANCE EXPENSE

- This allocation reflects 16.0% of the adopted Maintenance budget.

ADMINISTRATIVE FUND OVERHEAD EXPENSES

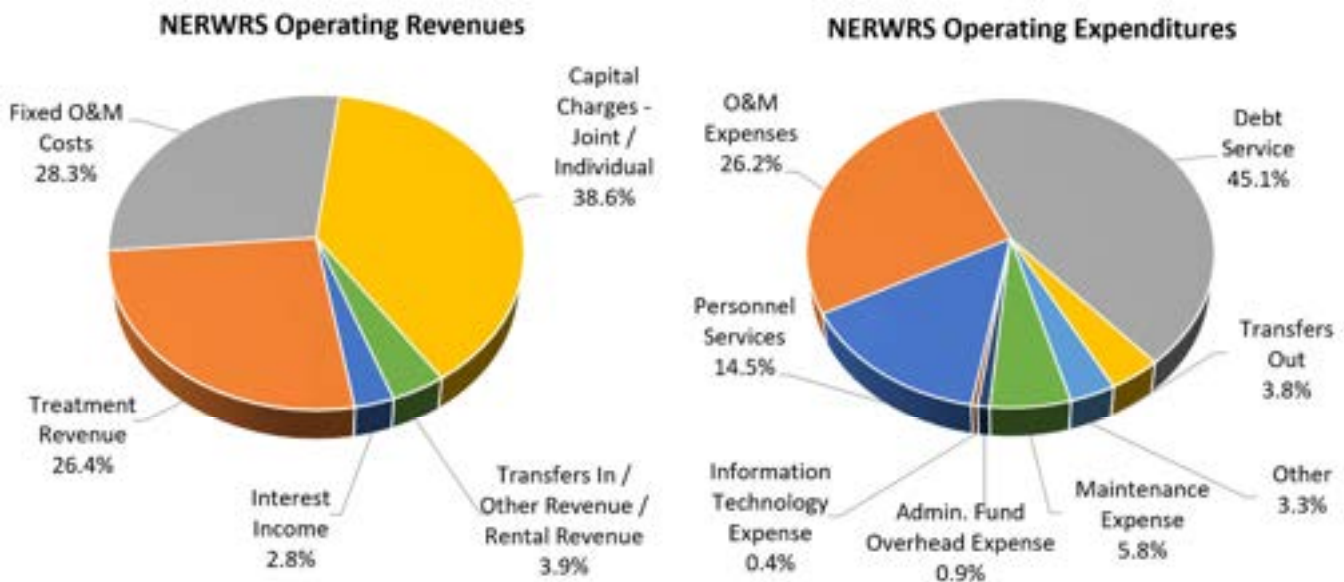
- Allocation of Administration Fund expenses to LRWRS operations.

INFORMATION TECHNOLOGY

- Allocation of Information Technology Fund expenses to LRWRS operations.

BUDGET SUMMARY – NERWRS

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 2,611,006	\$ 2,845,871	\$ 3,337,001	\$ 3,630,991
Transfer to Operations	\$ -	\$ -	\$ (80,000)	\$ -
Beginning Balance Revised	\$ 2,611,006	\$ 2,845,871	\$ 3,257,001	\$ 3,630,991
Operating Revenue				
Interest Income	\$ 402,088	\$ 462,000	\$ 506,360	\$ 492,000
Treatment Revenue	3,448,999	3,597,015	4,158,380	4,583,125
Excess Flows Surcharge	-	-	148,200	-
Fixed O&M Costs	4,264,200	4,561,340	4,561,340	4,910,435
Capital Charges - Joint / Individual	3,889,640	4,195,280	4,195,280	6,699,070
Interim Finance Charges	-	159,900	26,655	-
Transfers In	17,640	-	411,575	670,325
Other Revenue	49,158	12,500	14,265	1,000
Rental Revenue	3,598	3,810	3,810	3,920
Total Operating Revenue	\$ 12,075,323	\$ 12,991,845	\$ 14,025,865	\$ 17,359,875
Operating Expense				
Personnel Services	\$ 1,777,484	\$ 2,037,950	\$ 1,951,735	\$ 2,353,940
Administrative	240,094	320,550	291,655	359,625
Office Expenses	9,309	4,765	4,580	5,200
Professional Services	70,621	151,030	156,305	171,145
O&M Expenses	3,447,336	3,316,180	3,766,110	4,265,940
Debt Service	3,891,184	4,198,780	4,206,675	7,343,575
Transfers Out	1,072,135	509,620	1,907,310	616,510
Shared Debt Payments	8,900	8,900	8,900	8,900
Maintenance Expense	666,516	937,190	1,024,370	954,395
Administration Fund Overhead Expense	118,601	230,420	233,210	140,865
Information Technology Expense	47,148	96,760	101,025	69,280
Total Operating Expense	\$ 11,349,328	\$ 11,812,145	\$ 13,651,875	\$ 16,289,375
Ending Balance (Operating Cash)	\$ 3,337,001	\$ 4,025,571	\$ 3,630,991	\$ 4,701,491



SUMMARY OF MAJOR CHANGES - NERWRS

SUBSCRIBED CAPACITIES

Entity	FY 2024 Budget	FY 2025 Budget
DCFWSO #8A	0.45375 mgd	0.45375 mgd
Providence Village	0.55000 mgd	0.55000 mgd
Elm Ridge WCID	0.38600 mgd	0.38600 mgd
DCFWSO #11	0.71575 mgd	0.71575 mgd
Mustang SUD	2.61650 mgd	2.74150 mgd
Celina	1.51000 mgd	1.51000 mgd
Prosper	1.12500 mgd	1.12500 mgd
Total	7.35700 mgd	7.48200 mgd

PROJECTED FLOWS

Entity	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
DCFWSO #8A	0.3300 mgd	0.3766 mgd	0.3300 mgd
Providence Village	0.4000 mgd	0.3866 mgd	0.4000 mgd
Elm Ridge WCID	0.3000 mgd	0.2596 mgd	0.3000 mgd
DCFWSO #11	0.7200 mgd	0.7632 mgd	0.8000 mgd
Mustang SUD	1.9000 mgd	2.1290 mgd	2.2500 mgd
Celina	1.7400 mgd	2.1803 mgd	2.5000 mgd *
Prosper	1.3200 mgd	1.5061 mgd	2.0000 mgd *
Total	6.7100 mgd	7.6014 mgd	8.5800 mgd

* Subject to an Excess Flows Surcharge (Total Monthly Flows in Excess of Monthly Subscribed Capacity amount). All Surcharge Revenues to be transferred to the O&M Reserve on a monthly basis.

RATE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Treatment Rate – Member	\$1.44 / 1,000 gallons	\$1.44 / 1,000 gallons
Treatment Rate - Customer	\$1.55 / 1,000 gallons	\$1.55 / 1,000 gallons
Excess Flows Surcharge	\$0.36 / 1,000 gallons	\$0.56 / 1,000 gallons
Fixed O&M Charge **	\$620,000 / mgd	\$656,300 / mgd

** Fixed O&M does not include Capital Charges. Capital Charges for Joint / Interim / Individual Facilities on next page.

CAPITAL CHARGES

Entity	Individual	Joint	Total
DCFWSD #8A	\$244,480	\$102,450	\$346,930
Providence Village	\$725,000	\$124,185	\$849,185
Elm Ridge WCID	\$7,550	\$4,740	\$12,290
DCFWSD #11	\$441,600	\$161,605	\$603,205
Mustang SUD	\$1,339,555	\$393,205	\$1,732,760
Celina	\$3,007,440	\$ ---	\$3,007,440
Prosper	\$147,260	\$ ---	\$147,260
Total	\$5,912,885	\$786,185	\$6,699,070

REVENUE

- Interest Income is representative of current market conditions.
- Treatment Revenue reflects the projected flows at the adopted treatment rates (Member and Customer) and recovers System variable costs.
- Fixed O&M Costs for Joint Facilities are assessed to recover certain fixed costs of the system, not including debt service costs.
- Capital Charges for Joint / Individual facilities are assessed to recover debt service costs associated with the construction of joint facilities (common-to-all) and separately, individual facilities, specific to a particular Member / Customer.
- There are no Interim Finance Charges projected for FY 2025.
- Excess Flows Surcharge Revenue reflects revenues to be generated from projected flow estimates that exceed the current subscribed capacities of the City of Celina (1.51 mgd) and the Town of Prosper (1.125 mgd) in the System at the surcharge rate of \$0.56 / 1,000 gallons. The revenue amounts are not shown due to projected flows are estimated. This surcharge is to recover costs from additional wear and tear on plant infrastructure and will be transferred to the System's O&M Reserve.
- Transfers In consist of:
 - \$80,000 – FY 2024 transfer from projected excess working capital to fund an unexpected repair to replace the drain valves in the Riverbend Plant's aeration basin. This Transfer In is not needed for FY 2025.
 - \$632,500 – From Construction Cash (Doe Branch Plant) consisting of bond proceeds from the 2022 Revenue Bonds issued on behalf of the City of Celina's subscribed capacity provided through the Doe Branch Plant Expansion, Phase 3 project in lieu of payment from Celina to fund the FY 2025 interest only debt service payment for these bonds.
 - \$37,825 – From the Vehicle and Equipment Replacement Reserve to offset the NERWRS' allocated portion of the Maintenance budget (29.5%), plus another 0.76% for the Administration Fund's and Non-Potable Water Systems' Maintenance allocation portion (total of 30.26%), for the purchase of two vehicles (shown in the Maintenance budget) for the newly requested Process Controls Analyst and Electrician II positions for FY 2025.
- Other Revenue includes estimated non-direct service revenues such as auction proceeds from retired assets.
- Rental Revenue includes the pro rata share of rental income from the 802 N. Kealy Avenue building.

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 21.35 full-time equivalent positions. This includes 30.0% of the costs for a new Process Controls Analyst position, a new Wastewater Operator III position and a Wastewater Operator I position (90.0% allocated to the Riverbend and Doe Branch Plants and 10.0% allocated to the Peninsula Plant), and a new Wastewater Operator I position (100.0% allocated to the Doe Branch Plant).

ADMINISTRATIVE

- Equipment Rental expense includes rental fees for lifts and cherry pickers for various maintenance projects required at the Riverbend and Doe Branch Plants and reflects an increase specifically due to the need to conduct maintenance on the mixer aerator at the Riverbend Plant (\$15,000).
- Employee Recognition Program expenses include rewards given to outstanding employees, along with team-building activities, and was increased due to having a larger staff in FY 2025.
- Equipment and Furniture less than \$5,000 (non-capitalized assets) includes administrative items such as desks, office chairs, and appliances for breakrooms with a cost of less than \$5,000 and increases due to the need to replace old, tattered office chairs and to install workstations at the electrical buildings.

PROFESSIONAL SERVICES

- Engineering expenses include funding to complete a study to update the District's Emergency Response Plan (\$27,000) for both the Riverbend and Doe Branch Plants, along with another study to modify the Riverbend Plant's infrastructure to better process waste activated sludge (W.A.S.) and scum that accumulates on the surface of treatment tanks (\$10,000).
- Equipment Service expense includes all preventative maintenance agreements for equipment used in operations and increases due to reflecting the budget amounts for these items in this expense category rather than under Other Outside Services.
- Other Outside Services expense includes wet well cleanouts, fire alarm system inspections, pest control, and shredding services. This budget decreases due to reflecting the projected costs of annual preventive maintenance agreement for operational equipment in the Equipment Service expense category, rather than under this expense category.

O&M EXPENSES

- Vehicle expense decreases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by NERWRS staff.
- Plant and Equipment Maintenance expense includes all general repairs and upkeep for all pumps, blowers, lift station equipment, motors, etc. The increase for FY 2025 is to establish a budget more in line with prior year costs for maintenance and repairs of Plant infrastructure treating participant flows that are projected to be at System capacity.
- Pipeline Maintenance includes leak detection, repairs, and supplies for the upkeep of the System's trunk mains and interceptors and decreases due to installing fifteen composite manhole lids to System pipelines during FY 2024.
- Miscellaneous expense increases due to establishing a budget that is more in line with prior year expenses.

- Biosolids Disposal expenses include the cost of hauling and disposal of byproducts from the water reclamation process. The increase from FY 2024 is due to projecting an 18.0% price increase for the vendor's next contract period, as well as a projected 27.9% increase to flows for FY 2025.
- Chemical expense increases due to projected price increases for wastewater chemicals from pricing volatility in the oil and petroleum industry, coupled with a projected 27.9% increase to flows for FY 2025.
- Tools, Machinery, and Equipment less than \$5,000 reflects a decrease due to the projected completion of installing additional ladder fall prevention equipment at the Riverbend and Doe Branch plants by the end of FY 2024.
- Equipment and Furniture greater than or equal to \$5,000 account includes:
 - Riverbend Plant**
 - Purchase of a spare 3 mgd pump for the East Influent Lift Station – \$43,500
 - Purchase of a spare Grit pump – \$7,715
 - Doe Branch Plant**
 - Purchase of a new collection system Auto Sampler – \$7,300
 - Purchase of a new Influent Auto Sampler – \$7,300
 - Purchase of a metal canopy to be used during outdoor events – \$6,000
 - Purchase of a new Telehandler to move and unload sludge boxes – \$90,000
 - Purchase of a backup (2nd) washer compactor with SCADA components - \$150,000
 - Purchase of two portable gas detectors - \$10,000
 - Purchase of three spare Variable Frequency Drives (VFDs) – \$45,000

DEBT SERVICE

- Debt Service An increase of \$9,500 for Fiscal Agent Fees for review services by the Texas Attorney General's office related to the issuance of revenue bonds.
- A principal payment increase of \$150,000 for the 2016 and 2017 Revenue Bonds (\$100,000 and \$50,000, respectively) based on the repayment schedule. These bonds were issued for the Riverbend Plant Expansion, Phase 3 project.
- A principal and interest payment totaling \$789,500 for the 2022 Revenue Bonds issued for initial funding to begin the Riverbend West Influent Lift Station Improvements project (\$157,000) attributable to Mustang Special Utility District (75.0% allocated) and Providence Village (25.0% allocated) and for the Doe Branch Plant Expansion, Phase 3 and Parallel Interceptor project (\$632,500) attributed solely to the City of Celina for their share of this project. Capitalized interest was used to fund the interest payments for FY 2023 and FY 2024. Additionally, Celina's portion of this total debt service payment (\$632,500) is to be funded from a Transfer In from Construction Cash (Doe Branch) consisting of 2022 Revenue Bond proceeds.
- An interest only payment totaling \$1,393,125 for the 2024 Revenue Bond (2nd tranche) issue for continued funding of the Doe Branch Plant Expansion, Phase 3 and Parallel Interceptor project, attributed solely to the City of Celina for their share of this project.
- An estimated principal and interest payment of \$816,510 for the tentative 2024 Revenue Bond issue for continued funding of the Riverbend West Lift Station Improvements project, attributable to Mustang Special Utility District (75.0% allocated) and Providence Village (25.0% allocated).

SHARED DEBT PAYMENTS

- Shared Debt Service payments fund a direct portion of debt service related to the administrative offices and Board Room.

TRANSFERS OUT

- Transfers Out consist of:
 - A contribution of \$62,635 to the Non-Bond Capital Reserve is provided for in the treatment rate at \$0.02 / 1,000 gallons (same as FY 2024) based on projected flows and is recommended to allow for equity cash funding of future capital projects.
 - A contribution of \$115,000 to the O&M Reserve represents a required amount equal to 25% of O&M expenses (less debt service). This reserve is anticipated to be at least 100% funded at the end of FY 2025. Additionally, any Excess Flow Surcharge revenues generated through the treatment of excess flows sent to the System from the City of Celina and the Town of Prosper that exceed their subscribed capacities in the System multiplied by the \$0.56 / 1,000-gallon Excess Flow Surcharge, are to be transferred to the O&M Reserve to fund costs from excess wear and tear on System infrastructure for treating these flows.
 - A contribution of \$156,585 to the Capital Replacement Reserve is provided for in the treatment rate at \$0.05 / 1,000 gallons (same as FY 2024) based on projected flows.
 - A contribution of \$202,790 to the Vehicle and Equipment Replacement Reserve is calculated according to the quantity and age of District owned vehicles and equipment assigned to this System. The increase in this contribution is due to purchasing all previously leased vehicles and needing sufficient funds available for their future replacement.
 - A contribution of \$19,000 to the Plant Permitting Reserve is to accumulate funds for the next renewal of the Texas Pollutant Elimination System Permit for the Riverbend Plant (FY 2027) and the Doe Branch Plant (FY 2026).
 - A contribution of \$60,000 to the Administration Fund represents a portion of Customer Volume Revenues from the 7.0% surcharge included in the Customer volume rate to fund administration services.
 - A contribution of \$500 to the Regional Treated Water System (RTWS) operations represents payment for potable water usage at the Riverbend Regional Water Reclamation Plant that is ultimately credited to Denton County Fresh Water Supply District #8A (RTWS customer).
 - The FY 2024 estimate of \$26,650 represents the transfer of interest due on a tentative loan from the Regional Treated Water System's Non-Bond Capital Reserve to complete the relocation of the Hwy 380 project. This loan was never needed due to having sufficient funding in the Northeast Regional Water Reclamation System's Non-Bond Capital Reserve since the District received timely reimbursements from the Texas Department of Transportation (TxDOT). Therefore, there is nothing programmed for FY 2025.
 - An FY 2024 contribution of \$1,322,145 to the Non-Bond Capital Reserve from excess working capital to provide equity cash funding for future capital projects.
 - An FY 2024 contribution of \$35,000 to the O&M Reserve from excess working capital to decrease the required contribution amount from rates in FY 2025.

MAINTENANCE EXPENSE

- This allocation reflects 29.5% of the adopted Maintenance budget.

ADMINISTRATION FUND OVERHEAD EXPENSE

- Allocation of Administration Fund expenses to NERWRS operations.

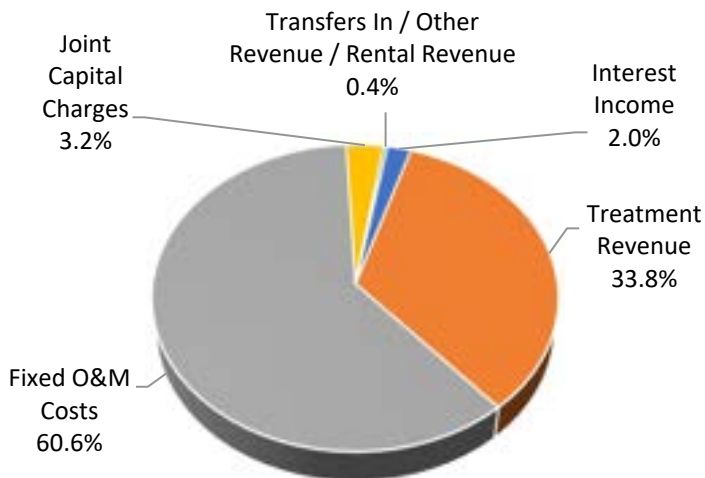
INFORMATION TECHNOLOGY EXPENSE

- Allocation of Information Technology Fund expenses to NERWRS operations.

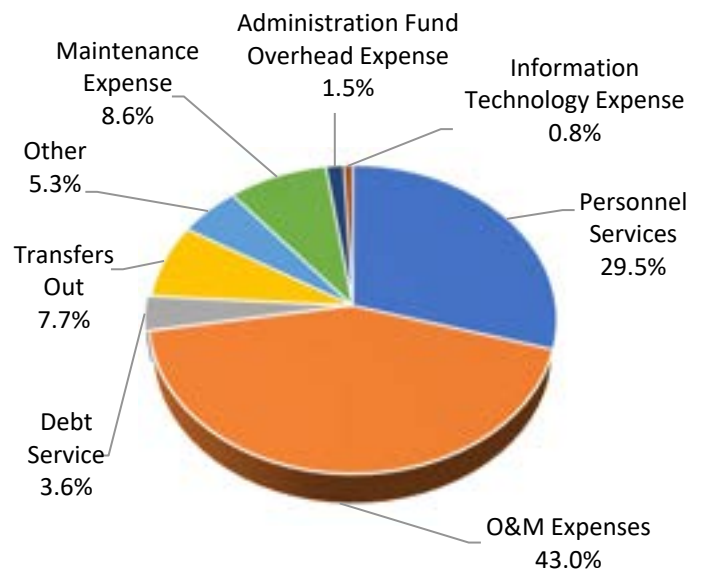
BUDGET SUMMARY - PWRP

	<u>FY 2023</u> <u>Actuals</u>	<u>FY 2024</u> <u>Adopted</u>	<u>FY 2024</u> <u>Estimates</u>	<u>FY 2025</u> <u>Adopted</u>
Beginning Balance (Operating Cash)	\$ 309,142	\$ 394,862	\$ 528,939	\$ 738,564
Operating Revenue				
Interest Income	\$ 30,042	\$ 42,610	\$ 51,745	\$ 47,575
Treatment Revenue	709,688	722,700	763,645	782,925
Fixed O&M Costs	699,575	1,404,400	1,404,400	1,404,400
Joint Capital Charges	71,935	70,935	70,935	74,745
Transfers In	-	-	141,315	7,050
Other Revenue	5,485	4,000	6,125	100
Rental Revenue	900	950	950	980
Total Operating Revenue	<u>\$ 1,517,625</u>	<u>\$ 2,245,595</u>	<u>\$ 2,439,115</u>	<u>\$ 2,317,775</u>
Operating Expense				
Personnel Services	\$ 318,833	\$ 576,065	\$ 473,855	\$ 609,135
Administrative	33,253	57,120	55,120	71,995
Office Expenses	435	500	855	1,000
Professional Services	4,790	33,360	33,155	33,965
O&M Expenses	553,508	821,695	833,605	885,515
Debt Service	71,494	70,935	70,935	74,745
Transfers Out	192,737	179,795	411,005	159,125
Shared Debt Payments	3,400	3,400	3,400	3,400
Maintenance Expense	91,933	246,630	269,570	177,940
Administration Fund Overhead Expense	19,748	59,495	54,415	31,915
Information Technology Expense	7,697	24,985	23,575	15,695
Total Operating Expense	<u>\$ 1,297,828</u>	<u>\$ 2,073,980</u>	<u>\$ 2,229,490</u>	<u>\$ 2,064,430</u>
Ending Balance (Operating Cash)	<u>\$ 528,939</u>	<u>\$ 566,477</u>	<u>\$ 738,564</u>	<u>\$ 991,909</u>

PWRP Operating Revenues



PWRP Operating Expenditures



SUMMARY OF MAJOR CHANGES - PWRP

SUBSCRIBED CAPACITIES

Entity	FY 2024 Budget	FY 2025 Budget
Mustang SUD	2.00 mgd	2.00 mgd
Total	2.00 mgd	2.00 mgd

PROJECTED FLOWS

Entity	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Mustang SUD	1.2000 mgd	1.2640 mgd	1.3000 mgd
Total	1.2000 mgd	1.2640 mgd	1.3000 mgd

RATE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Volume Charge - Treatment	\$1.65 / 1,000 gallons	\$1.65 / 1,000 gallons
Fixed O&M Charges	\$702,200 / mgd	\$702,200 / mgd

CAPITAL CHARGES

Entity	FY 2024 Budget	FY 2025 Budget
Mustang SUD	\$70,935	\$74,745
Total	\$70,935	\$74,745

REVENUE

- Interest Income is representative of current market conditions.
- Treatment Revenue reflects the projected flows at the adopted treatment rate and recovers variable costs of the Plant.
- Fixed O&M Charges for Joint Facilities are assessed to recover fixed costs of the Plant, not including debt service costs.
- Capital Charges for Joint Facilities are assessed to recover the required annual debt service payment for the Series 2016 Revenue Bonds that were issued to rehab the Plant's Ultraviolet (UV) Disinfection System.
- Transfers In consist of:
 - \$7,050 – From the Vehicle and Equipment Replacement Reserve to offset the Peninsula's Plant's allocated portion of the Maintenance budget (5.5%), plus another 0.14% for the Administration Fund's and Non-Potable Water Systems' Maintenance allocation portion (total of 5.64%), for the purchase of two vehicles (shown in the Maintenance budget) for the newly requested Process Controls Analyst and Electrician II positions for FY 2025.

- Other Revenue includes estimated non-direct service revenues such as auction proceeds from retired assets.
- Rental Revenue consists of a pro-rata share of rental income from the 802 N. Kealy Avenue building.

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 5.70 full-time equivalent positions. This includes 5.0% of the costs for a new Process Controls Analyst position, a new Wastewater Operator III position and Wastewater Operator I position (10% allocated to the Peninsula Plant and 90% allocated to the Northeast Regional Water Reclamation System).

ADMINISTRATIVE

- Conference, Training, and Travel expense includes registration and travel expenses for various professional organization conferences, and expense for annual continuing education training for wastewater operators and increases due to having more assigned operators than in previous years from the shared staff with the Lakeview Plant.
- Equipment and Furniture less than \$5,000 (non-capitalized assets) includes administrative items such as desks, office chairs, and filing cabinets that cost less than \$5,000. The increase is due to furnishing the new offices added during the recently completed Plant expansion project.
- Supplies expense includes funding for office supplies, printing, and postage. This budget is increased due to having a larger staff assigned at the Peninsula Plant than in prior years.

PROFESSIONAL SERVICES

- Engineering expense includes minimum funding to complete a study to update the District's Emergency Response Plan (\$3,000) for the Peninsula Plant. This budget decreased due to the projected completion of a construction standards study in FY 2024.
- Equipment Service expense includes all preventative maintenance agreements for equipment used in operations and increases due to adding preventive maintenance (PM) agreement contracts for new equipment that was installed during the recently completed Plant expansion project.

O&M EXPENSES

- Plant Supplies Plant Supplies expense includes employee uniforms, medical / first aid, and personal safety supplies. This budget was increased due to the need to purchase new safety gear / supplies for the new lab that was installed during the recently completed Plant expansion project.
- Vehicle expense decreases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by Peninsula Plant staff.
- Plant and Equipment Maintenance expense includes all general repairs and upkeep for all pumps, blowers, lift station equipment, etc. The increase for FY 2025 is due to now having additional equipment to maintain after the completion of the phase 3 expansion at the Peninsula Plant, as well as the age and condition of the original Plant equipment.
- Lab Supplies and Services expense includes lab supplies used by District staff for required monitoring and testing of wastewater samples, including fees paid to an outside testing service as required by the Texas Commission on Environmental Quality's monitoring system. The increase for FY 2025 is due to the increase in projected flows and the need to complete more testing than the prior fiscal year.
- Sludge Hauling expense includes funding to haul liquid sludge byproducts from the Peninsula Plant to the Lakeview Plant so that the water can be spun out of it producing a drier cake-like form to be hauled and disposed of at a landfill. The need for this hauling service occurs when the newly installed sludge press and centrifuge facilities at the Peninsula Plant are shut down for maintenance or

experiences an outage. The FY 2025 budget was decreased to an amount more in line with FY 2024 costs.

- Biosolids Disposal expense includes the cost of hauling and disposal of byproducts from the water reclamation process. The increase from FY 2024 is due to projecting an 18.0% price increase for the vendor's next contract period, as well as an 8.3% increase in projected wastewater flows for FY 2025.
- Tools, Machinery, and Equipment less than \$5,000 reflects an increase due to replacing old hand tools, cordless drills, saws, and batteries, with new equipment. Also, permanent fall protection will be installed at key areas around the Peninsula Plant.
- Equipment and Furniture greater than or equal to \$5,000 expense includes:
 - Purchase of a Conex storage container – \$7,375
 - Upgrade of processors for the Trojan UV Disinfection System – \$26,320
 - Replacement of a Return Activated Sludge (RAS) Pump – \$7,845
 - Purchase of a new Utility Vehicle (UTV) – \$19,220
 - Purchase of a spare Aeration Mixer – \$19,800

SHARED DEBT PAYMENTS

- Shared Debt Payments funds a direct portion of debt service related to the administrative offices and Board Room.

TRANSFERS OUT

- Transfers Out consist of:
 - A contribution of \$47,450 to the Non-Bond Capital Reserve is provided for in the treatment rate at \$0.10 / 1,000 gallons (a \$0.05 / 1,000 gallons increase from FY 2024) based on projected flows and is recommended to allow for equity cash funding of future capital projects.
 - A contribution is normally required that is equal to 25.0% of O&M expenses (less debt service). However, this reserve is anticipated to be at least 100.0% funded at the end of FY 2025 without a contribution amount.
 - A contribution of \$47,450 to the Capital Replacement Reserve is provided for in the treatment rate at \$0.10 / 1,000 gallons (a \$0.05 / 1,000 gallons increase from FY 2024) based on projected flows.
 - A contribution of \$52,225 to the Vehicle and Equipment Replacement Reserve is calculated according to the quantity and age of District owned vehicles and equipment assigned to this System. The increase in this contribution is due to purchasing all previously leased vehicles and needing sufficient funds available for their future replacement.
 - A contribution of \$12,000 to the Plant Permitting Reserve is to accumulate funds for the next renewal of the Texas Pollutant Elimination System Permit for the Peninsula Plant beginning in FY 2026.
 - An FY 2024 contribution of \$228,730 to the Non-Bond Capital Reserve from excess working capital to provide equity cash funding for future capital projects.

MAINTENANCE EXPENSE

- This allocation reflects 5.5% of the adopted Maintenance budget.

ADMINISTRATION FUND OVERHEAD EXPENSE

- Allocation of Administration Fund expenses to Peninsula Plant operations.

INFORMATION TECHNOLOGY EXPENSE

- Allocation of Information Technology Fund expenses to operations.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Discharge effluent from District water reclamation facilities that meets all regulatory treatment requirements.
 - Lakeview Regional Water Reclamation System
 - *Maintained perfect regulatory compliance for 25 consecutive years and NACWA Platinum Status.*
 - *Maintained 100% survival of all Biomonitoring test species for over 24 years.*
 - *Completed design for Plant expansion to 7.5mgd. Construction of phased expansion on clarifiers and sand filters scheduled began in early FY 2024. Expected to be complete in FY 2025.*
 - Northeast Regional Water Reclamation System – Riverbend Plant
 - *Maintained perfect regulatory compliance for 17 consecutive years and NACWA Platinum status.*
 - *Maintained 100% survival of all Biomonitoring test species for over 22 years.*
 - *Treated flows from the Doe Branch basin to assist Doe Branch WRF peak flow management during rain events.*
 - *Engineering design services for a new lift station and collection system improvements to accommodate growth in the western part of the Riverbend service are underway.*
 - *Celebrated our senior operator, Mark Wootton, for achieving his Class A Wastewater License. This significant accomplishment reflects our organization's dedication to professional development and upholding the highest industry standards...*
 - *Our maintenance team successfully installed stainless steel plates to reinforce the concrete under the aerator mixer's lower guide brackets, enhancing stability for the vertical shaft and gearbox alignment. This improvement has not only increased system reliability but also reduced maintenance costs and downtime, ensuring smooth operation of the aeration system.*
 - *We are also pleased to report the successful completion of upgrades to the Centrifuge PLC and operating system. These enhancements have allowed for fine-tuning of the system, greatly improving efficiency in the dewatering process and delivering even more cost savings.*
 - *Riverbend has consistently delivered outstanding treatment results using just two aeration basins. Our operators have expertly optimized the process control selector zones by gathering and analyzing real-time data throughout the treatment process. This proactive approach allows for precise adjustments, fostering a healthy and well-balanced biomass while significantly reducing nocardia foam. The result is exceptional treatment quality with fewer equipment requirements, leading to impressive savings in electricity use throughout the year.*
 - Northeast Regional Water Reclamation System - Doe Branch Plant
 - *Maintained perfect regulatory compliance for 8 consecutive years and NACWA Platinum status.*
 - *During heavy rain, our plant handled flows of up to 5 times the current design capacity. Thanks to the hard work of our operations team, we were able to keep all discharges within regulatory limits. This shows that even in tough conditions, we remained committed to protecting the environment and serving our community.*

- *The plant currently receives much higher influent CBOD₅ than it is designed for. Despite this incredible daily challenge our operations team ensures that Doe Branch effluent quality still meet and surpass all federal regulations.*
- *Despite the rapid population growth in the area, Doe Branch has consistently met all regulatory requirements. The plant continues to perform well with an annual average flow exceeding the current design capacity. This success is a testament to the expertise and dedication of our knowledgeable staff, who ensure that we provide reliable service and maintain our commitment to environmental responsibility, even as demand increases.*
- *To overcome equipment limitations (no peak flow storage and only one dewatering centrifuge), plant staff creatively operated two sludge holding tanks as sequencing batch reactors. This approach reduced nitrogen and phosphorus concentrations in the dewatering recycle streams, maximized aeration basin capacity, and decreased chemical usage allowing the plant to “do more with less” and far exceed the plants design criteria for solids handling.*
- *Confronted with increased radiation levels in dewatered sludge due to excreted medical isotopes from chemotherapy patients, plant staff again found creative solutions and adjusted by routing sludge tanks in series to extend detention time by two days. This allowed the short half-life radiation to decay to acceptable levels before dewatering, ensuring safe and timely disposal in the landfill. Delays to solids processing are detrimental to the overall plant operations due to the extreme high flows Doe Branch receives daily.*
- *Optimized plant performance through proactive and Innovative thinking. Anticipating challenges due to increased flow rates, our team expertly managed the Food-to-Microorganism (F/M) ratio to prevent issues such as insufficient Return Activated Sludge (RAS) flow. This proactive approach was crucial in avoiding elevated phosphorus levels, ensuring that our treatment processes remain efficient and effective for the community.*
- *Steven McHenry, Operations Supervisor at Doe Branch, has won the WEAT's Bill Tatum Operations Excellence Award, recognizing his dedication and professionalism. Since joining Upper Trinity Regional Water District's Northeast Operations Section in 2008, Steven has been a key team member. His leadership reflects our commitment to delivering high-quality service to our customers.*
- *Doe Branch was awarded the MUNICIPAL WASTEWATER TREATMENT PLANT OF THE YEAR in Category 2 (1 MGD to <15 MGD), highlighting the level of expertise and excellence demonstrated by our team.*
- *Celebrated our senior operator, Dustin Clark, for achieving his Class A Water License, placing him among an elite group of professionals in water and wastewater utilities who hold dual Class A licenses in both Water and Wastewater. This significant accomplishment reflects our organization's dedication to professional development and upholding the highest industry standards.*
- *Engineering design services for the Phase 3 plant expansion have begun. This project includes plant expansion from 4.0mgd – 12.0mgd and adding a parallel interceptor to part of the Doe Branch collection system. Expected construction start up in early 2025.*
- *Continually adapted to increased flows and challenges due to influent quality episodes and construction activities, while maintaining perfect regulatory compliance and NACWA Platinum Status. Continue to assist customers with collection system issues.*
- *Made operational adjustments to solids processing system that have greatly increased operational and overall solids processing efficiency.*

- Peninsula Water Reclamation Plant
 - *Received the NACWA 21st Year Platinum Award, underscoring two decades of outstanding performance in wastewater management..*
 - *Awarded WEAT's 2024 Category 1 Municipal Wastewater Treatment Plant of the Year, highlighting the skill and expertise of our operations team.*
 - *Construction for Phase 3 expansion (0.94 mgd to 2.0 mgd) was completed in FY 2024. The upgraded treatment facilities include a new screen, new influent pumps, two bioreactors designed for biological nutrient removal, a new clarifier, sludge holding tank, and a screw press for dewatering. Additionally, the expansion features a new administration building, blower building, dewatering building, and updated electrical systems.*
 - *Despite handling waste levels much higher than the plant was originally designed for, our skilled operators consistently maintained top performance before the expansion to 2 MGD. The plant was overloaded based on its design capacity, but their expertise played a key role in managing the situation until the expansion provided some relief. Notably, the design influent BOD₅ rose from 211 mg/L in 2005 to 337 mg/L in 2020—a more than 50% increase in BOD loading. This impressive management under increased strain showcases the exceptional dedication and quality of our operations team.*
 - *Installed double-wall sound insulation on blower piping, significantly reducing noise emissions beyond plant grounds, creating a quieter environment and helping us be better neighbors.*
 - *Cleared brush and trees from easements along the South and East fence lines, improving site aesthetics, facilitating easier maintenance access, and remaining consistent with our good neighbor policy across all facilities.*
 - *Continued optimization of screw press and sludge holding tank operations, with ongoing testing of innovative polymers. We are now consistently producing 17.5% dry solids and are on track to exceed the design criterion of 18%, aiming to reduce hauling costs and improve efficiency.*
 - *Procured a new JCB telehandler to replace outdated equipment, enhancing plant efficiency and safety. This allows us to independently handle full cake boxes and install empty boxes without relying on our solids contractor (Republic), as well as safely manage screenings and grit, and perform on-site gravel road repairs and other needed maintenance this multi purpose machine is capable of handling.*
 - *Installed protective bollards along the Martop pipeline to safeguard manhole rings from damage by mowing contractors. In response to residents' feedback, we repainted the bollards from safety yellow to brown to blend with the surroundings, satisfying community preferences while avoiding the need for costly rock walls—a solution that benefits all parties.*
 - *Achieved zero sanitary sewer overflows, maintaining our commitment to operational excellence and environmental protection.*
 - *Purchased a 525-gallon bulk tank, reducing the handling of IBC totes and increasing redundancy of our polymer supply, thereby mitigating potential future supply chain issues.*
 - *Reduced alum consumption by promoting biological phosphorus removal, through meticulous monitoring and adjustment of treatment parameters, enhancing process efficiency and sustainability. This saves money on chemical costs, and also promotes a healthier receiving stream by reducing chemicals used in our treatment process.*
 - *Enhanced landscaping around the administrative building by planting vegetation, creating a natural barrier to block sight lines and reduce operational noise for our South neighborhood residents.*

- *Strengthened our team by hiring two new operators and permanently assigning a skilled operator from Lakeview to Peninsula. Our Peninsula team is actively pursuing advanced training to increase licensing levels and deepen their expertise in wastewater processes.*
- *Celebrated our senior operator Jason Lucero achieving his Class A - Water and Class A - Wastewater License, reflecting our organization's dedication to professional development and upholding the highest industry standards.*

- *As noted above, all District water reclamation plants received the NACWA Platinum Award, in recognition of five or more years of consecutive perfect compliance with their discharge permits. All plants met discharge permit limits despite continued growth.*
- *Completed voluntary Demand Response Testing at all plants and other facilities, running the plants using emergency generation during load shedding events on multiple occasions in FY 2024.*
- *Continued the Operations to Maintenance cross-training program for new staff members that has proven to be very beneficial to the Northeast Operations and Maintenance groups.*
- *Continued ongoing management and leadership training opportunities for mid-level management and other employees.*
- *Design for US Highway 380 widening project is continuing. One major pipeline from Doe Branch to Riverbend has been relocated in FY 2024. This project also is impacting water system along the Highway 380 corridor.*
- *We launched a college internship program designed to raise awareness of this career field and attract top talent from universities. This initiative provides students with practical, hands-on experience that goes beyond classroom learning, allowing them to gain a deeper understanding of the industry. Through this program, students have the opportunity to engage in meaningful projects, collaborate with experienced professionals, and develop critical skills that will benefit their future careers. Our goal is to not only introduce students to the various career paths available in the field but also to create a pipeline of skilled, motivated individuals who are well-prepared to enter the workforce upon graduation. We started a high school internship program to raise awareness of this career field and attract talented students. The program offers hands-on experience, helping students explore different roles and learn more about the industry. By working with local high schools, we hope to inspire students to consider careers in this field, encouraging a passion for learning and growth. Through mentorship and real-world projects, we aim to develop the next generation of professionals and create a strong pool of future talent.*

- ✓ *Maintain all water reclamation facilities to the highest standard of operational efficiency.*
 - *Continued using the mechanical clarifier cleaning systems at the Lakeview, Peninsula and Doe Branch plants with good results, reducing labor hours, and increasing staff safety.*
 - *Continued vendor service to clean out the Riverbend wet well and influent pipeline, the Doe Branch lift station, and select Lakeview system lift stations.*
 - *Continued to maintain and build on-hand spare parts inventory of key operational equipment at all facilities to ensure redundancy of critical equipment.*
 - *Continued to utilize and optimize maintenance management software program to help increase O&M efficiency and CIP planning efficiency.*
 - *GIS program for all District pipelines has been implemented. GPS data points continue to be collected on new pipelines, and during maintenance on existing pipelines and facilities to improve GIS system accuracy.*

- *Continued use of an online safety program for all NE water and wastewater staff with the goal to eliminate accidents and injuries in FY 2024. Expanding this program district wide in FY 2025.*
 - *The NERWRS system is a past winner of the Water Environment Federation George W. Burke Jr. Safety Award for excellence in our ongoing safety program and record. This online program is an enhancement to the safety program, reinforcing an organizational commitment to doing things the safe way, which is not always the easy way.*
 - *The District, has provided workshops to customers on new or upcoming regulatory requirements and provided guidance and support with regulatory reporting and operational issues.*
- ✓ Maintain facilities with a good neighbor policy.
- *Operations has continued the on-going landscape and maintenance of the property along the Riverbend entry road that borders neighboring Paloma Creek making for a very aesthetically appealing area to visitors and residents.*
 - *Continue to ensure that all property owned by the District is well maintained, especially around the Doe Branch, Riverbend, and Peninsula facilities to promote good neighbor relations.*
 - *Continue to feed iron salts at Lakeview System pumping stations and hydrogen peroxide at the plant for effective odor control both in the pipeline system and at the Lakeview Plant.*
 - *Continued use of the odor control system at the Riverbend Plant headworks that has eliminated odor complaints over the past year. In addition to this, operations also begun directing return sludge into the east plant drain, providing odor abatement in the influent pump station wet-well, bagging grit before disposal and sealed the grit structure to better contain odors.*
 - *Made landscaping improvements to the Peninsula WRF to enhance aesthetics and soften plant facilities near neighboring homes.*
 - *Made noise reduction improvements to reduce noise issues that impacted facility neighbors.*
- ✓ Maintain security / safety of systems and resources.
- *Completed a large easement reclamation project in various parts of the water and ww systems to enhance access to pipeline easements for inspection and maintenance. Continued the ongoing pipeline and easement maintenance program to ensure that all District pipelines are always fully accessible and maintain relationships with private property owners.*
 - *Providing full system redundancy of our network and plant specific SCADA systems.*
 - *Operations data and records such as meter readings and laboratory test results have been fully migrated over to a SQL server with redundancy. This improves data integrity and security to preserve both historical and current records, while still maintaining a high degree of usability.*
 - *The operations team will be exploring solutions for a primary operational data visualization and analyzation tool in FY 2025. Implementation and upgrading this system is planned for FY 2026.*
 - *Data Management User-Interface (UI) project is underway to aid in the ease and accuracy of the data capturing process.*

NON-POTABLE WATER SYSTEM

The District is committed to providing non-potable water, where applicable, for irrigation, commercial and industrial uses. Non-potable water includes raw water and treated wastewater effluent.

MISSION

Our mission is to provide treated effluent and raw water that meets or exceeds federal, state, and local standards for applicable uses.

GOALS AND OBJECTIVES

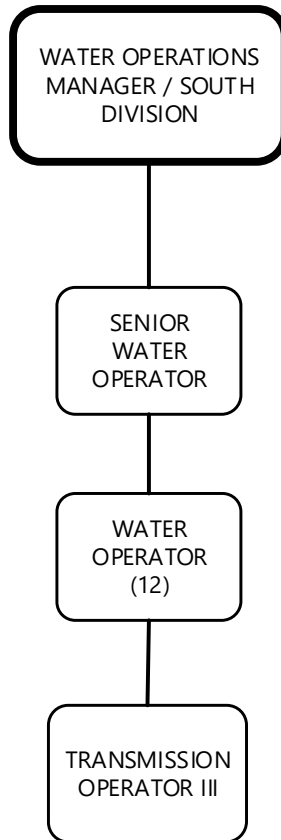
- Provide treated effluent water as requested.
- Discharge effluent from District water reclamation facilities that meets all regulatory treatment requirements.
 - Deliver up to 2.0 mgd of treated effluent from the City of Lewisville to the Castle Hill Community golf course for irrigation.
 - Maintain pump station and transmission pipeline to ensure effluent is available as requested.
 - Coordinate with the City of Lewisville to ensure effluent is available as requested.
- Maintain an effluent monitoring program.
 - Ensure compliance with applicable federal, state, and local effluent regulations.
 - Identify potential environmental problems and evaluate the need for remedial actions.
- Maintain accurate meter records.
 - Coordinate with the City of Lewisville to ensure annual meter calibrations are performed.

PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Availability of effluent for irrigation	Percent of time requested effluent is delivered.	100%	100%	100%
Effluent monitoring program	Meet or exceed all applicable federal, state, and local effluent regulations.	100%	100%	100%
Meter Accuracy	Yearly pass of meter calibration checks for accuracy.	100%	100%	100%

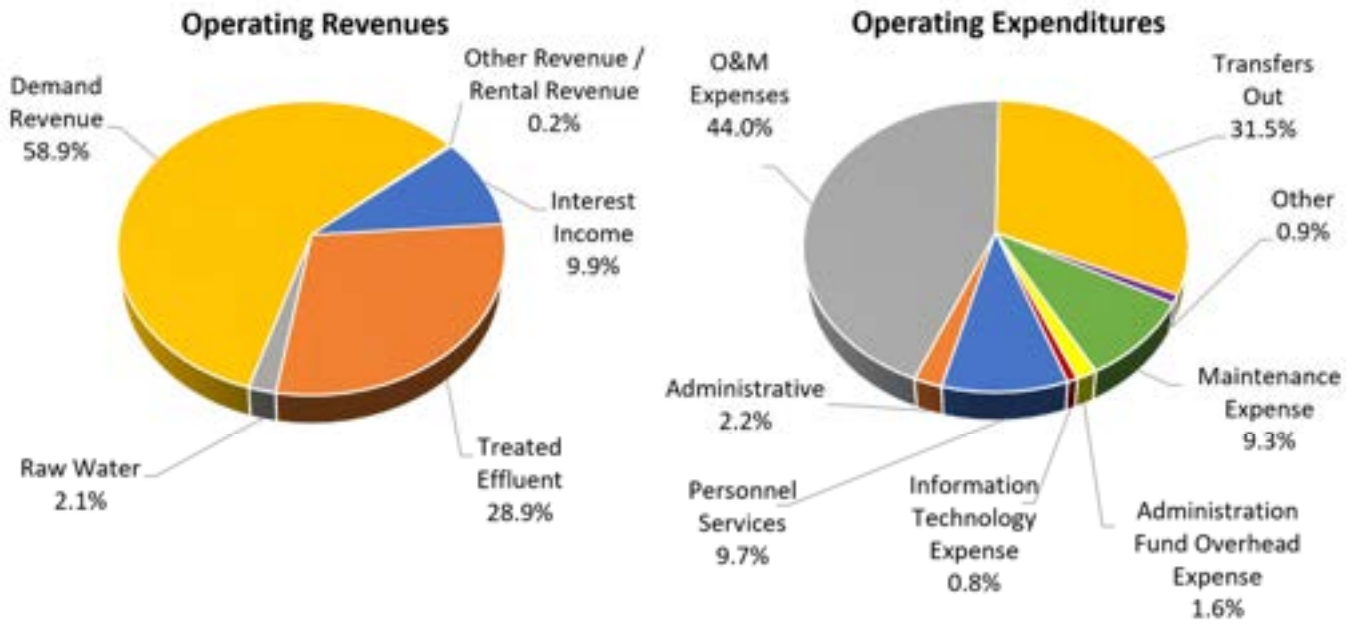
PERSONNEL SUMMARY / ORGANIZATIONAL CHART

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Water Operations Manager / South Division	.01	.01	.01	.01
Senior Water Operator	.01	.01	.01	.01
Water Operator III	.08	.07	.07	.10
Water Operator II	.04	.04	.04	.01
Water Operator I	0	.01	.01	.01
Total FTEs	.14	.14	.14	.14



BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 67,893	\$ 69,248	\$ 83,084	\$ 45,974
Operating Revenue				
Interest Income	\$ 18,656	\$ 23,250	\$ 21,475	\$ 21,100
Treated Effluent Volume Revenue	50,427	67,820	49,295	61,335
Raw Water Volume Revenue	13	4,130	2,125	4,445
Demand Revenue	125,000	125,000	125,000	125,000
Other Revenue	85	-	270	25
Rental Revenue	450	475	490	490
Total Operating Revenue	\$ 194,631	\$ 220,675	\$ 198,655	\$ 212,395
Operating Expense				
Personnel Services	\$ 14,177	\$ 16,030	\$ 13,315	\$ 16,795
Administrative	2,689	3,330	3,540	3,785
Professional Services	5	500	450	535
O&M Expenses	75,149	82,000	81,655	76,370
Transfers Out	71,543	54,725	110,075	54,725
Shared Debt Payments	1,100	1,100	1,100	1,100
Maintenance Expense	11,491	16,440	17,970	16,175
Administration Fund Overhead Expense	2,488	5,675	5,345	2,765
Information Technology Expense	798	2,385	2,315	1,360
Total Operating Expense	\$ 179,440	\$ 182,185	\$ 235,765	\$ 173,610
Ending Balance (Operating Cash)	\$ 83,084	\$ 107,738	\$ 45,974	\$ 84,759



SUMMARY OF MAJOR CHANGES

PROJECTED FLOWS

Type	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Treated Effluent	0.3643 mgd	0.2666 mgd	0.3171 mgd
Raw Water	0.0096 mgd	0.0096 mgd	0.0096 mgd

RATE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Treated Effluent Rate	\$0.51 / 1,000 gallons	\$0.53 / 1,000 gallons
Raw Water Rate	\$1.18 / 1,000 gallons	\$1.27 / 1,000 gallons
Demand Charge	\$125,000	\$125,000

REVENUE

- Interest Income is representative of current market conditions.
- Total Treated Effluent volume revenue reflects the projected flows at the adopted Treated Effluent rate.
- Total Raw Water volume revenue reflects the projected flows at the adopted Raw Water rate.
- Demand revenue reflects an annual charge of \$125,000.
- Other Revenue includes estimated non-direct service revenues such as auction proceeds from retired assets.
- Rental Revenue consists of a pro-rata share of rental income from the 802 N. Kealy Avenue building.

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for personnel who spend time operating and maintaining the non-potable facilities and equates to 0.14 of a full-time equivalent position.

ADMINISTRATIVE

- Insurance – Property and General Liability expense reflects a projected 7.0% increase from the FY 2024 actual expense.

O&M EXPENSES

- Botanical expense includes brush clearing services along the non-potable pipeline and reflects a decrease from FY 2024 to establish a budget that is more in line with current expenditures.
- Treated Effluent Water cost reflects a 6.0% rate increase from FY 2024 by Dallas Water Utilities.
- Raw Water cost reflects a 7.2% rate increase from FY 2024 by Dallas Water Utilities.

SHARED DEBT PAYMENTS

- Shared Debt Payments fund a direct portion of debt service related to the administrative offices and Board Room.

TRANSFERS OUT

- Transfers Out consist of:
 - A contribution of \$25,000 to the Non-Bond Capital Reserve is recommended to allow for equity cash funding of future capital projects.
 - A contribution of \$29,475 to the Capital Replacement Reserve is included to set aside funds to be used for the future replacement of the non-potable pipeline.
 - An annual transfer to the Regional Treated Water System (RTWS) reflects the Non-Potable Water System's portion of a debt service payment for bonds issued to construct the Raw Water Intake structure.
 - An FY 2024 contribution of \$55,350 to the Non-Bond Capital Reserve from excess working capital to provide equity cash funding for future capital projects.

MAINTENANCE EXPENSE

- This allocation represents 0.50% of the adopted Maintenance budget.

ADMINISTRATION FUND OVERHEAD EXPENSE

- Allocation of Administration Fund expenses to NPWS operations.

INFORMATION TECHNOLOGY EXPENSE

- Allocation of Information Technology Fund expenses to NPWS operations.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ As per our contract with City of Lewisville to supply non-potable water for golf course irrigation and maintained recreational pond by utilizing treated effluent that was provided from the City of Lewisville wastewater treatment plant and pumped to the Castle Hill golf course in Carrollton for irrigation. Raw water is provided from Lewisville Lake to Lake Avalon when requested.
 - *86,786,000 gallons of effluent provided for golf course irrigation*

MAINTENANCE

The purpose of the Maintenance Department is to ensure the District's treatment facilities are always performing to their maximum potential for reliable service to our customer entities.

MISSION

The mission is to maintain all treatment facilities and apparatuses to function safely properly, and efficiently throughout their life and to act quickly to avoid emergency situations and making sure our customer entities have the best possible service available with limited interruptions.

GOALS AND OBJECTIVES

- Maintain all District assets in a high-quality manner to achieve maximum useful life expectancy.
 - Maintain facilities, equipment, and other machinery, in the manner adopted by the district yielding the most cost-effective results.
- Provide quick and accurate responses and effective repairs or solutions to the needs of all the District's facilities.
 - Abide by the rules and regulations set by state and federal agencies in all repairs that could adversely affect potable water for the end user.
 - Work with operators to provide the best quality product in compliance with State and Federal Standards.
- Be always safety conscious, read and understand the District's health and safety manual.
 - Identify safety hazards before each task is performed.
 - Watch out for yourself and fellow co-workers.
- Ensure everything is tested and in compliance annually for each facility so that all documentation is in place for TCEQ inspections.

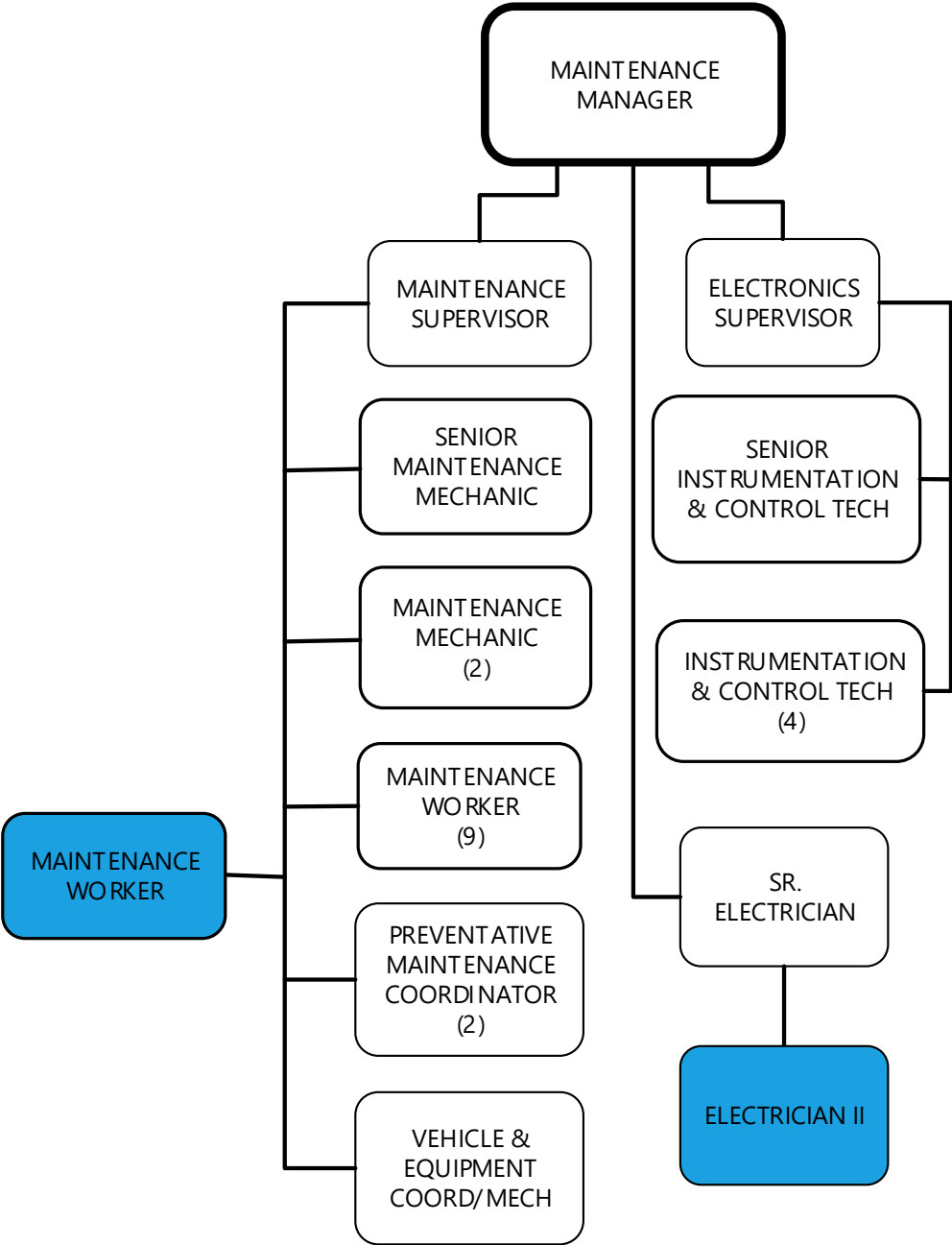
PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Reduce response time on Preventative (PM), Scheduled (SM) & Landscape (LM) Maintenance Work Orders	Complete PMs within 5 working days	98%	96%	100%
Reduce response time on Corrective Maintenance (CM) Work Orders	Complete CMs within 5 working days	91.7%	91%	100%
Emergency Response	Response and repair time less than 24 hours	95%	100%	100%
Special Projects	Total # of special projects each FY completed on time	100%	100%	100%
Funding	Total # of special projects each FY completed within budget	99%	100%	100%
Safety	12 safety training hours / employee / year	100%	100%	100%
Staffing	% of time at full staff	75%	85%	98
Annual review of required Maintenance staffing based on projected growth (from Annual Work Plans – Organizational)	Number of new positions added to the Maintenance Department	1	1	2
Prioritizing Maintenance activities (from Annual Work Plans – Functional)	Use of Condition Assessment to prioritize Maintenance activities for District facilities	On-Going	On-Going	On-Going

PERSONNEL SUMMARY

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Maintenance Manager	1	1	1	1
Maintenance Supervisor	0	0	0	1
Northeast Maintenance Supervisor	1	1	1	0
Electronics Supervisor	1	1	1	1
Senior Electrician	0	1	1	1
Senior Maintenance Mechanic	1	1	1	1
Senior Instrumentation & Control Tech	0	0	0	1
Senior Electronic Technician	1	1	1	0
Electrician II	0	0	0	1
Maintenance Mechanic	3	3	3	2
Instrumentation & Control Tech	0	0	0	4
Electronic Technician II	2	2	2	0
Electronic Technician I	2	2	2	0
Maintenance Worker II	4	4	4	4
Maintenance Worker I	5	4	4	6
Preventative Maintenance Coordinator	1	1	1	2
Preventative Maintenance Coordinator (NE)	0	1	1	0
Vehicle & Equipment Coordinator / Mechanic	1	1	1	1
GIS Analyst	.90	.90	.90	.90
Total FTEs	23.90	24.90	24.90	26.90

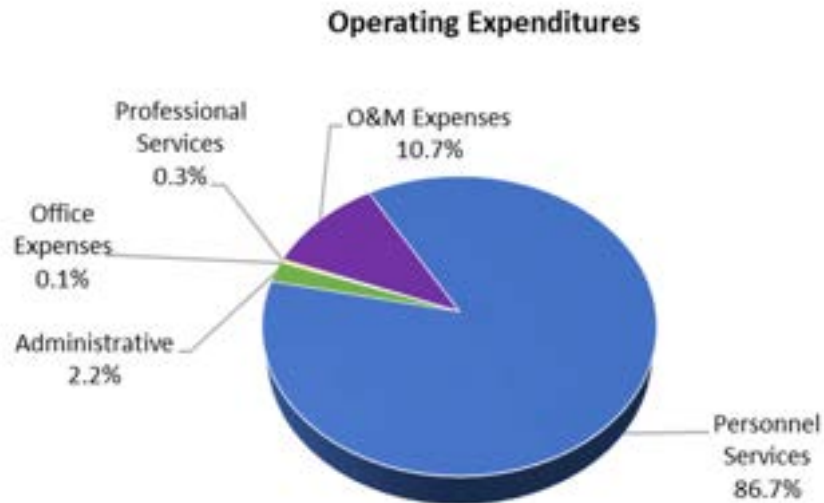
ORGANIZATIONAL CHART



BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ -	\$ -	\$ -	\$ -
Operating Expense				
Personnel Services	\$ 2,070,857	\$ 2,753,215	\$ 2,161,530	\$ 2,803,800
Administrative	53,732	70,080	68,040	72,035
Office Expenses	1,852	2,875	2,550	3,100
Professional Services	5,564	8,500	7,980	8,760
O&M Expenses	166,328	453,710	1,354,170	347,545
Total Operating Expense	\$ 2,298,333	\$ 3,288,380	\$ 3,594,270	\$ 3,235,240
Allocation to Operating	(2,298,333)	(3,288,380)	(3,594,270)	(3,235,240)
Ending Balance (Operating Cash)	\$ -	\$ -	\$ -	\$ -

* All Maintenance Expenses are allocated to the Operating Funds based on the size and complexity of maintaining each facility.



SUMMARY OF MAJOR CHANGES

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 26.90 full-time equivalent positions including two new positions (Maintenance Worker and Electrician II).

O&M EXPENSES

- Vehicle expense decreases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by Maintenance staff.
- Tools, Machinery, and Equipment less than \$5,000 reflects a decrease due to purchasing Fluke Calibrators, Process meter digital multimeters, and troubleshooting kits for the Electronic Technicians in FY 2024.
- Furniture and Equipment greater than or equal to \$5,000 includes:
 - Purchase of an Emerson communicator to calibrate, program, and test all instruments – \$11,000
 - Purchase of a new concrete saw – \$11,000
 - Purchase of an F-150 for the new Process Controls Analyst position to be based at the Taylor Regional Treated Water Plant (Provides services throughout all District operations) – \$50,000
 - Purchase of a Ford Transit 350 for the new Electrician II position – \$75,000.

MAINTENANCE ALLOCATION TO PROJECTS

- Total operating expenses for the Maintenance budget are allocated to the following projects: Regional Treated Water System (46.5%), Lakeview Regional Water Reclamation System (16.0%), Northeast Regional Water Reclamation System (29.5%), Peninsula Water Reclamation Plant (5.5%), Non-Potable Water System (0.5%), and Admin (2.0%). This allocation is based on the updated methodology of work order distribution.

	RTWS	LRWRS	NERWRS	PWRP	NPWS	ADMIN	TOTAL
Allocation %	46.5%	16.0%	29.5%	5.5%	0.5%	2.0%	100.0%
FY 25	\$1,504,385	\$517,640	\$954,395	\$177,940	\$16,175	\$64,705	\$3,235,240

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Provide quick and accurate responses for effective repairs or solutions to the needs of all District facilities.
 - *System Wide*
 - *Ensure everything is tested and in compliance annually for each facility so that all documentation is in place for TCEQ inspections.*
 - *Thomas E. Taylor Regional Treated Water System*
 - *HSP #7 motor failure, pulled for rewind and reinstalled.*
 - *Worked with Smith Pump to rebuild failed Stone Hill Pump #3.*
 - *Pump Control Valves Rebuilt on Stone Hill Pumps #3 & #4*
 - *Lakeview Water Reclamation System*
 - *Continuing the LS Condition Assessment*
 - *Numerous lift station pump repairs.*
 - *Uncovered several buried manholes from 2181 widening project.*
 - *Harpool Regional Water System*
 - *Rebuilt Dashpot check valves on Emergency Return Pumps.*
 - *Pulled Blower #2 and had rebuilt and reinstalled.*
 - *Installed and plumbed in all new chemical pumps in Membrane Bldg.*
 - *Northeast Regional Water Reclamation System*
 - *Continuing the LS Condition Assessment*
 - *Installed Floor Plates under AB mixers at Riverbend.*
 - *Replaced the trough liners on the grit classifier and centrifuge at Riverbend.*
 - *Installed new spray bars on the clarifiers at Riverbend.*
 - *Upsized blower #2 and #3 intake piping to prevent overheating at Doe Branch.*
 - *Installed new collection arm on south clarifier at Doe Branch.*
 - *Fabricated and installed bearing guard for the bar screen at Doe Branch.*
 - *Plumbed in construction conex office with electrical, sewer and water.*
 - *Constructed new entry road to Glenbrook metering station.*
- ✓ Maintain all apparatuses and exceed the life expectancy of all equipment and facilities.
- ✓ Maintain all District assets with the expectations of exceeding their life expectancy.

REGIONAL TREATED WATER SYSTEM

The District is committed to protecting public health and providing high quality drinking water for our members and customer entities. The Regional Treated Water System ensures a safe and reliable water supply for 29 communities in the Denton County area, which includes some of the fastest-growing cities in the country. These rapidly expanding areas depend on the district's state-of-the-art water treatment facilities.

Our water system is supported by two treatment plants, both committed to delivering high-quality, dependable water to our communities. The Thomas E. Taylor Regional Water Treatment Plant in Lewisville is undergoing expansion to increase its capacity to 85 MGD. It employs advanced ozone oxidation and dual-media filtration, using activated carbon and sand, to ensure the water remains clean and safe. In northeast Denton County, the Tom Harpool Regional Water Treatment Plant currently has a capacity of 30 MGD, utilizing a cutting-edge submersible vacuum ultrafiltration membrane system. Plans are underway to expand its capacity to 40 MGD by FY 2027 and ultimately up to 60mgd in FY 2029 by incorporating a new advanced pressure membrane facility and state-of-the-art oxidation technologies, which will align with a forward-looking strategy to ensure exceptional water quality and meet future demand.

MISSION

Our mission is to supply the District's customers with an adequate supply of water that is of the highest quality while striving to keep costs down, minimizing service interruptions and practicing responsible use and management of water as a natural resource through water conservation and public education.

GOALS AND OBJECTIVES

- Provide all District customers with dependable, high- quality water.
 - Ensure that District rules, guidelines, and practices meet or exceed all federal and state standards.
 - Maximize redundancy by ensuring that treated water can be provided from both water treatment plants.
 - Leverage Advanced Technologies
 - Implement Internet of Things (IoT) devices for real-time monitoring of water quality and system performance.
- Explore using new technology like artificial intelligence (AI) and machine learning algorithms to optimize water treatment processes and predict maintenance needs. Minimize the impact of water treatment costs to offset water rate increases.
 - Work to identify savings that will not affect the quality or level of service for treated water.
 - Monitor items such as Granulated Activated Carbon media, sodium hypochlorite generation cells, and membranes to determine when replacement of these items will be needed.
 - Follow and continue to monitor the replacement schedule based on historical trends.
 - Optimize Operations with Machine Learning
 - Apply machine learning algorithms to optimize chemical feeds, ensuring precise dosing and reducing chemical usage without affecting water quality.
 - Employ predictive maintenance to forecast equipment lifespan and schedule timely replacements, minimizing downtime and repair costs.
 - Adhere to and continually assess the replacement schedule based on historical trends and predictive analytics.
- Maintain security/safety of systems and resources.

- Secure all District’s remote facilities by use of cameras and other means necessary.
 - Continue to develop and implement new requirements for data management to facilitate data sharing and analysis and ensure that the data is safely stored.
 - Manage the Supervisory Control and Data Acquisition System (SCADA) to ensure maximum benefit and minimal down time.
 - Improve networking, SCADA, and communications systems to actively monitor all remote facilities and stay up to date with current technology.
 - Maintain all plant communication and networking systems within industry guidelines and update hardware and software as needed to keep all systems operating efficiently.
- Enhance Cybersecurity Measures
 - Protect IoT devices and network infrastructure with advanced cybersecurity protocols.
 - Implement AI-driven threat detection to monitor and respond to security incidents in real-time.
 - Establish a Demilitarized Zone (DMZ)
 - Implement a DMZ within our network architecture to securely isolate critical systems from external threats.
 - Use the DMZ to host external-facing services while safeguarding internal networks and sensitive data.
 - Develop Digital Twins
 - Create digital twin models of our water treatment plants and distribution networks to simulate and optimize operations.
Use digital twins for predictive analysis, scenario planning, and enhanced decision-making.
 - Invest in Workforce Development
 - Retool Operations Staff for Future Technologies
 - Provide comprehensive training programs to equip current staff with skills in AI, data analytics, cyber security and advanced systems.
 - Encourage continuous learning and adaptability to keep pace with emerging technologies in water treatment and management.
 - Facilitate cross-functional teams that combine operational expertise with technological innovation to seamlessly integrate new systems.
 - Attract and Retain Talent
 - Offer professional development opportunities to attract skilled professionals in AI, machine learning, data science, and cybersecurity.
 - Create career pathways that blend traditional water management roles with technological competencies, promoting a versatile workforce.

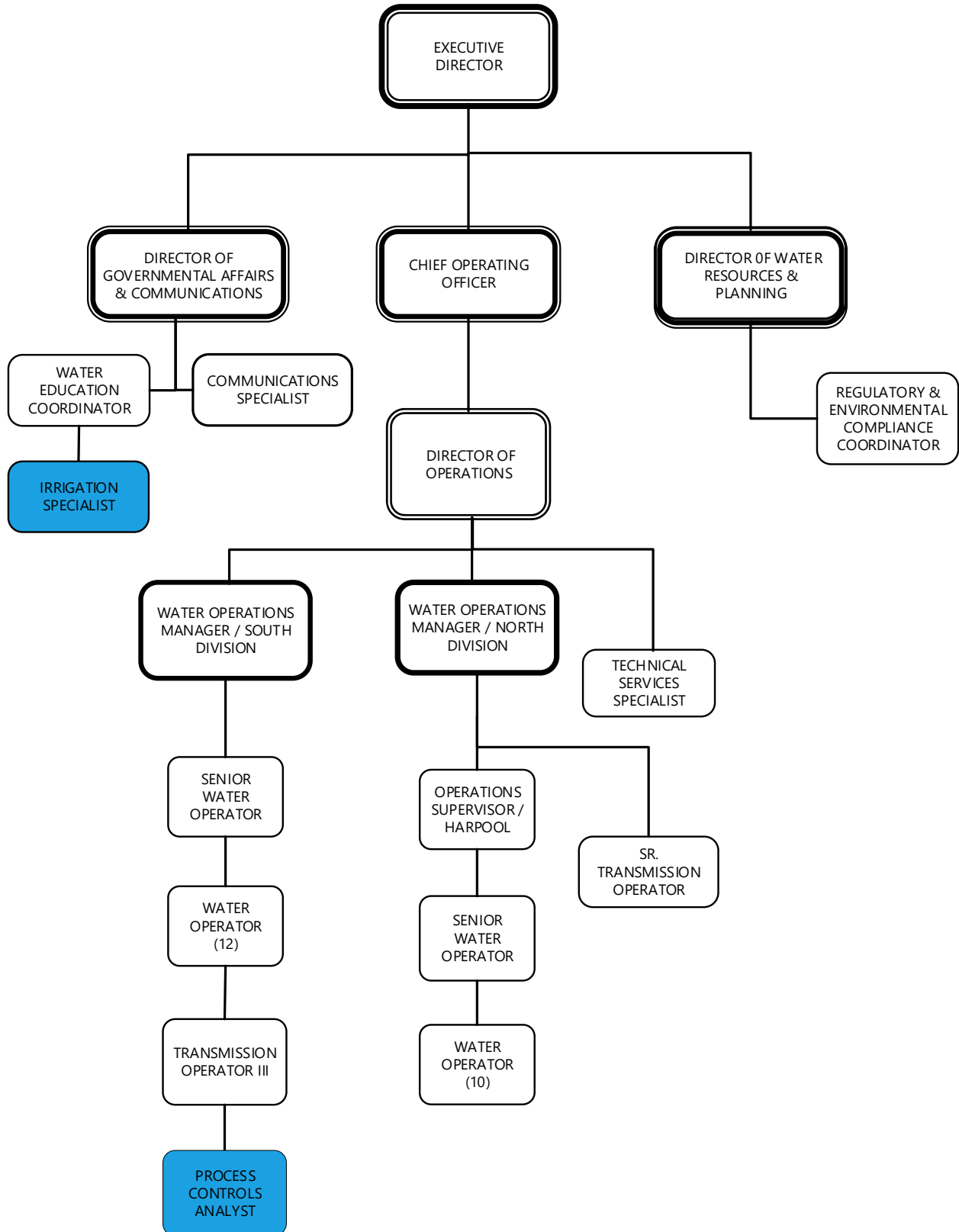
PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Meet or Exceed all State and Federal rules and regulations	Percentage of time the treatment system in compliance % Time System Compliance = [1-(non-compliant samples or readings/total samples or readings)] x 100	100%	100%	100%
Disruption in service, plant shutdowns due to non-construction related activity	Percentage of time the treatment system was on-line % Time on-line = [1-(#days offline / 365)] x 100	>99%	>99%	>99%
Meter Accuracy	Yearly meter calibration checks inaccuracy % Meter accuracy = [1-(inaccurate meters / total meters)] x 100	>97%	>97%	>97%
Billed flow accuracy	Billing adjustments as a result of meter inaccuracy. Accuracy = [1-(# total flow adjust / # total flows billed)] x 100	99%	100%	100%
Minimize taste or odor complaint episodes	Establish baseline trends; then target reductions	0 Taylor 2 Harpool	0 Taylor 3 Harpool	0 Taylor 0 Harpool
Minimize unaccounted water loss	Unaccounted for water, annual average UFW = billed + accounted flows / raw water flow	4.16%	<5%	<5%
Dual Certified Operators	Number of Operators with both Water and Wastewater certification	42.86%	>25%	>25%
Maintain Qualified / Trained Staff	Percentage of positions filled [1 – vacancies / filled] x 100]	100%	>95%	>95%
Harpool RWTP Recovery Pond Dredging Project (from Annual Work Plans – Functional)	% completion of the Harpool Regional Water Treatment Plant raw water holding pond dredging project by Operations staff	100%	N/A	N/A

PERSONNEL SUMMARY

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Executive Director	.25	.25	.25	.25
Chief Operating Officer	0	0	0	.50
Director of Operations and Water Resources	.50	.50	.50	0
Director of Operations	0	0	0	.45
Deputy Director of Operations	0	.45	.45	0
Assistant Director of Operations	.45	0	0	0
Director of Water Resources & Planning	0	0	0	.10
Assistant Director of Operations - Water Resources	.10	.10	.10	0
Director of Governmental Affairs & Communications	0	0	0	.15
Manager of Governmental Affairs & Communications	.50	.25	.25	0
Water Operations Manager – South Division	.99	.99	.99	.99
Operations Manager – North Division	0	.50	.50	.50
Electrical Engineer	.35	.35	.35	.35
Operations Supervisor	1	1	1	1
Regulatory and Environmental Compliance Coordinator	.05	.05	.05	.05
Water Education Coordinator	.80	.80	.80	.80
Communications Specialist	.80	.80	.80	.60
Technical Services Specialist	.45	.45	.45	.45
Senior Water Operators	1.99	1.99	1.99	1.99
Senior Transmission Operator	1	1	1	1
Water Operator III	9.93	11.92	11.92	13.90
Transmission Operator III	1	1	1	1
Water Operator II	8.96	5.97	5.97	3.99
Transmission Operator II	.50	.50	.50	.50
Water Operator I	2.99	3.99	3.99	3.99
Process Controls Analyst	0	0	0	.50
Irrigation Specialist (Water Conservation)	0	0	0	1
Total FTEs	32.61	32.86	32.86	34.06

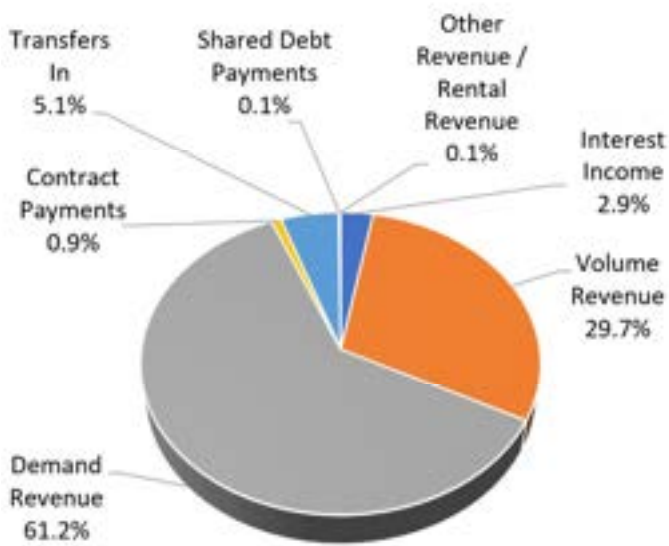
ORGANIZATIONAL CHART



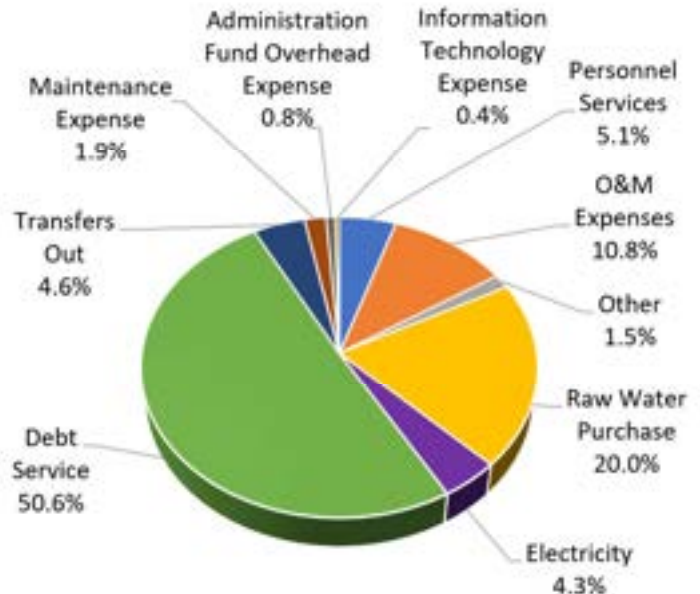
BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 16,298,868	\$ 18,995,443	\$ 21,750,429	\$ 23,267,489
Operating Revenue				
Interest Income	\$ 1,912,060	\$ 1,915,000	\$ 2,753,010	\$ 2,489,500
Volume Revenue	23,136,861	22,827,520	23,599,875	25,857,860
Demand Revenue	42,697,446	47,384,690	47,918,185	53,209,875
Contract Payments	269,812	267,570	267,570	741,515
Transfers In	971,783	1,591,755	2,605,245	4,467,900
Shared Debt Payments	59,000	59,000	59,000	59,000
Other Revenue	141,445	25,000	160,785	3,500
Rental Revenue	119,823	79,960	107,310	92,300
Total Operating Revenue	\$ 69,308,230	\$ 74,150,495	\$ 77,470,980	\$ 86,921,450
Operating Expense				
Personnel Services	\$ 3,585,520	\$ 3,837,110	\$ 3,629,915	\$ 3,942,075
Administrative	564,492	686,635	703,945	731,730
Office Expenses	11,442	12,350	11,360	11,300
Professional Services	178,224	409,445	372,500	399,865
O&M Expenses	8,024,373	7,586,205	8,695,195	8,384,555
Chapman Raw Water Purchase	2,431,996	2,494,925	2,456,430	2,435,190
Dallas/Denton Raw Water Purchase	9,935,553	11,075,695	8,146,730	13,155,200
Electricity	2,750,827	3,030,265	3,041,600	3,355,220
Debt Service	23,426,498	32,352,215	30,304,280	39,380,430
Transfers Out	10,949,716	3,234,160	15,518,345	3,592,875
Maintenance Expense	1,160,658	1,512,655	1,653,365	1,504,385
Administration Fund Overhead Expense	619,897	1,104,620	990,975	616,175
Information Technology Expense	217,473	463,875	429,280	303,050
Total Operating Expense	\$ 63,856,669	\$ 67,800,155	\$ 75,953,920	\$ 77,812,050
Ending Balance (Operating Cash)	\$ 21,750,429	\$ 25,345,783	\$ 23,267,489	\$ 32,376,889

Operating Revenues



Operating Expenditures



SUMMARY OF MAJOR CHANGES

SUBSCRIBED CAPACITIES

Entity	FY 2024 Budget	FY 2025 Budget
Argyle WSC	2.00 mgd	2.00 mgd
Aubrey	0.10 mgd	0.10 mgd
Cross Timbers WSC	2.50 mgd	2.50 mgd
Celina	8.50 mgd	10.00 mgd
Corinth	7.50 mgd	7.50 mgd
DCFWSO #7	4.30 mgd	4.30 mgd
DCFWSO #8A	1.87 mgd	1.87 mgd
DCFWSO #11A	3.30 mgd	3.30 mgd
Elm Ridge WCID	1.02 mgd	1.12 mgd
Flower Mound	30.00 mgd	30.00 mgd
Highland Village	3.00 mgd	3.00 mgd
Justin	1.75 mgd	2.05 mgd
Krum	0.40 mgd	0.40 mgd
Lake Cities MUA	3.80 mgd	4.00 mgd
Lewisville (Castle Hills)	4.00 mgd	4.00 mgd
Mustang SUD	10.10 mgd	11.50 mgd
Northlake	8.20 mgd	8.50 mgd
Providence Village	2.40 mgd	2.40 mgd
Sanger	0.50 mgd	0.60 mgd
Total	95.24 mgd	99.14 mgd

PROJECTED FLOWS

Entity	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
Argyle WSC	1.4000 mgd	1.4165 mgd	1.4500 mgd
Aubrey	0.0000 mgd	0.0000 mgd	0.0000 mgd
Celina	0.6200 mgd	0.6058 mgd	0.7000 mgd
Corinth	4.4000 mgd	5.4491 mgd	5.5000 mgd
Cross Timbers WSC	3.1000 mgd	2.9384 mgd	3.3000 mgd
DCFWSO #7	2.1000 mgd	1.8947 mgd	2.1000 mgd
DCFWSO #8A	0.3000 mgd	0.3548 mgd	0.3000 mgd
DCFWSO #11A	1.4000 mgd	1.4297 mgd	1.4000 mgd
Elm Ridge WCID	0.5400 mgd	0.5731 mgd	0.5700 mgd
Flower Mound	10.3000 mgd	10.4698 mgd	11.0000 mgd
Highland Village	2.3000 mgd	2.1761 mgd	2.3000 mgd
Justin	1.0000 mgd	0.9186 mgd	1.0000 mgd
Krum	0.1200 mgd	0.0786 mgd	0.1100 mgd
Lake Cities MUA	1.9000 mgd	1.8366 mgd	1.9000 mgd
Lewisville (Castle Hills)	1.7000 mgd	1.6573 mgd	1.7000 mgd
Mustang SUD	7.0000 mgd	6.8172 mgd	8.0000 mgd
Northlake	2.3000 mgd	2.4236 mgd	2.5000 mgd
Providence Village	0.7500 mgd	0.7494 mgd	0.7500 mgd
Sanger	0.2000 mgd	0.2685 mgd	0.3000 mgd
Total	41.4300 mgd	42.0578 mgd	44.8800 mgd

RATE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Volume Rate – Members	\$1.49 / 1,000 gallons	\$1.56 / 1,000 gallons
Volume Rate – Customers	\$1.60 / 1,000 gallons	\$1.67 / 1,000 gallons
Flat Rate/Temporary Service	\$5.47 / 1,000 gallons	\$5.84 / 1,000 gallons
Demand Rate	\$500,155 / mgd	\$539,435 / mgd

REVENUE

- Interest Income is representative of current market conditions.
- Total Volume Revenue reflects the projected flows at the adopted volume rates.
- The Demand Revenue reflects the current and anticipated increases in subscriptions at the adopted demand charge.
- Contract Payments consist of principal and interest (P&I) from:
 - \$392,745 – Consists of two semi-annual payments from Mustang Special Utility District for a joint capital project (Temple Dane Pump Station) and was increased from the Adopted FY

- 2024 payment due to the newly established ownership percentage (based on Mustang's flows versus the District's flows to other System participants through the pump station) of 70.0% (from 55.0%) for Mustang and 30.0% (from 45.0%) for the District.
- \$348,770 – Consists of twelve-monthly payments from Providence Village for the cost of constructing and financing a second point of delivery and meter vault.
 - Transfers In consist of:
 - \$1,890,900 – Represents remaining excess working capital (identified from FY 2023 operations) set aside in the I&S Reserve during FY 2024 to assist with the payment of debt service.
 - \$2,401,795 – Consists of accrued interest from Board Participation (BP) Construction Cash transferred earned on previous issues of BP funds received from the Texas Water Development Board to fund the Lake Ralph Hall and Harpool Northeast Transmission Line, Phase 1 and 2 projects. This transfer in will fund the FY 2025 debt service (Interest only) on the Series 2015 (\$531,855), Series 2019 (\$303,965), Series 2020 (\$674,045), Series 2021 (\$891,930), Board Participation Loans.
 - \$59,610 – From the Vehicle and Equipment Replacement Reserve to offset the RTWS' allocated portion of the Maintenance budget (46.5%), plus another 1.19% for the Administration Fund's and Non-Potable Water Systems' Maintenance allocation portion (total of 47.69%), for the purchase of two vehicles (shown in the Maintenance budget) for the newly requested Process Controls Analyst and Electrician II positions for FY 2025.
 - \$114,845 – From remaining funds in the Series 2000-A Reserve, consisting of funds received from Argyle WSC for their buyout of the District's portion of the pipeline and elevated storage tank, to offset the Series 2000-A Bond debt service.
 - \$250 – From the Non-Potable Water System for its allocated share of the FY 2025 debt service on bonds issued to fund the Raw Water Intake structure.
 - \$500 – From the Northeast Regional Water Reclamation System for potable water usage at the Riverbend Plant that is credited back to DCFWSD #8A.
 - The FY 2024 Adopted Budget transfer in of \$159,900 consisted of interest on a tentative \$3,000,000 million loan from the Regional Treated Water Systems' Non-Bond Capital Reserve to the Northeast Regional Water Reclamation System (Doe Branch Plant) to fund a Texas Department of Transportation's (TxDOT) relocation of District infrastructure for the Highway 380 widening project. With adequate and timely reimbursements made by TxDOT to the District for prior period funds spent on this project, this loan was not necessary. The FY 2024 estimate reflects the budgeted payments for June through September 2024 that won't occur. Therefore, there is no transfer in shown for FY 2025 for repayment of this loan.
 - Other Revenue includes estimated non-direct service revenues such as auction proceeds from retired assets.
 - Rental Revenue includes the pro rata share of 802 N. Kealy Avenue building.
 - Shared Debt Payments include the original Administration complex and is received from Lakeview Regional Water Reclamation System (\$33,400), Peninsula Water Reclamation Plant (\$3,400), Northeast Regional Water Reclamation System (\$8,900), Administration (\$12,200), and the Non-Potable Water System (\$1,100).

EXPENSES

PERSONNEL SERVICES

- The adopted budget includes funding for 34.06 full-time equivalent positions. This also includes 50.0% of the costs for a new Process Controls Analyst that is allocated throughout all District operations.

ADMINISTRATIVE

- Memberships, Dues, and Subscriptions expense includes the annual cost of various professional organizations (WEAT, NACWA, TACWA, WEF) for RTWS staff. The increase for this expense category is due to funding a portion of these type of expense for the new Northeast Operations Supervisor position that was added in the Adopted FY 2024 budget and for the new Process Controls Analyst position included for FY 2025.
- Conference, Training, and Travel expense includes registration and travel to various professional organization conferences, and expenses for annual continuing education training for water operators. The increase for this expense category is due to funding a portion of these type of expense for the new Northeast Operations Supervisor position that was added in the Adopted FY 2024 budget, and for the new Process Controls Analyst position included for FY 2025.
- Equipment and Furniture less than \$5,000 (non-capitalized assets) includes administrative items such as desks, office chairs, and appliances for breakrooms with a cost of less than \$5,000.

PROFESSIONAL SERVICES

- Legal expense includes attorney fees from legal opinions, lawsuits, employee relations, etc.
- Engineering expense includes funding to complete regulatory updates to the District's Emergency Response Plant. This funding is included in all District operating budgets for FY 2025. The decrease from the FY 2024 budget is due to the projected completion of a construction standards study for the Regional Treated Water System capital improvement program by the end of FY 2024.
- Equipment Service expense includes all preventative maintenance agreements for equipment used in operations and increases due to reflecting the budget amounts for these items in this expense category rather than under Other Outside Services.
- Other Outside Services expense includes financial advisor fees for investment services, annual debt regulatory services, financing and bond issues, fire alarm inspections, pest control, shedding services, backflow preventor inspections, wet well diver inspections, etc., and decreases due to reflecting the projected costs of annual preventive maintenance agreements for operational equipment in the Equipment Service expenses category, rather than under this expense category.

O&M EXPENSES

- Vehicle expense increases due to the District canceling a vehicle leasing agreement with Enterprise Leasing in April 2024 and purchasing all previously leased vehicles. In addition, this expense category includes the cost of fuel, tolls, and maintenance for all District vehicles used by RTWS staff.
- Plant and Equipment Maintenance expense includes costs to complete general maintenance and repairs on various pumps, motors, electrical and HVAC equipment, etc., at the Taylor and Harpool Plants. The increase in maintenance expense is due to the age and condition of the Plant facilities.
- Pipeline Maintenance expense also includes funding of \$150,000 (reduced from \$200,000 for FY 2024) to complete identified needs for Smart-ball testing and pipeline repairs to water pipelines in FY 2025.
- Lab Supplies and Services expense includes required periodic testing and monitoring of water samples and increases due to additional testing required for raw and finished water at the Harpool Regional Water Treatment Plant because of increased demand in the northeast service area.
- The reduction in Permits, Licenses, and Fees expense is based on a scheduled yearly reduction for the Lake Ralph Hall permit paid to Fannin County. In addition, FY 2025 is the final payment for this permit.
- Raw Water Purchases expense reflects a 7.20% increase in the price of raw water from Dallas Water Utilities. Additionally, due to the on-going negotiations with the City of Denton for a new raw water purchasing agreement, there are no projected purchases of raw water from this source for FY 2025. Therefore, a higher quantity of the more expensive raw water from Dallas is required. Assumptions for raw water sources include a total of 46.72 MGD from the following sources:

Dallas water – 29.47 MGD
Denton water – 0.00 MGD
Chapman Lake – 11.50 MGD
Reuse – 5.75 MGD

- Irving Pumping – Lake Chapman Raw Water expense includes the cost (Electricity) to pump raw water from Lake Chapman to District facilities and increases due to projecting a 4.0% price increase for the variable rate that the District pays to the City of Irving and an additional \$100,000 to cover the price difference between the projected variable cost incurred by the City of Irving and the actual costs once the fiscal year has closed. Additionally, this expense reflects an increase due utilizing an extra 1.0 MGD more of this raw water for FY 2025 than in FY 2024.
- Denton Pass-thru (Lake Chapman Water) includes the cost of pumping Lake Chapman raw water deposited into Lewisville Lake through the Denton’s system to the Harpool Regional Water Treatment Plant. With the continued strong growth in the District’s northeast service area, more Lake Chapman raw water is dropped off at the Harpool Plant rather than incurring additional expenses. Therefore, this expense reflects a projected decrease from FY 2024.
- Denton Pass-thru (Reuse Flows) includes the additional cost from the City of Denton to pump increased reuse flows that are correlated to the increased yield of Chapman raw water.
- Treated Water Purchases expense increases due to Denton Water Utilities’ price increase for their treated water, purchased by the District to supply to the cities of Sanger and Krum, from \$0.61 to \$1.25 / 1,000 gallons (an approximate 105.0% rate increase) effective October 1, 2024.
- Electricity expense increases due to including a 6.0% increase for District facilities served by Coserv, coupled with an 8.3% increase to projected flows for FY 2025.
- Furniture and Equipment greater than or equal to \$5,000 includes:

Raw Water Intake Structure

- Replacement of Raw Water Intake #1 Pump and Motor – \$365,000

Taylor Plant

- Purchase of a new Filter Pneumatic Actuator – \$15,000
- Replacement of a Chemical Storage Tank Pump – \$9,000
- Replacement of Variable Frequency Drive (VFD) on HSP #9 – \$250,000
- Purchase of a new Transmission Trailer and Equipment – \$24,000

Harpool Plant

- Rehabilitation of Emergency Pump #1 – \$85,000
- Replacement of three On-Line Chlorine Analyzers – \$30,000
- Purchase of a new Electric Valve Turner – \$15,000
- Purchase of a mini-Pontoon – \$18,000

DEBT SERVICE

- An increase of \$93,860 to the partial interest only payment for the Series 2015 Board Participation (BP) Loan from the Texas Water Development Board (TWDB) to fund the Lake Ralph Hall project.
- An increase of \$101,320 to the partial interest only payment for the Series 2019 BP Loan from TWDB to fund the Lake Ralph Hall project.
- An increase of \$827,190 which represents the first partial interest only payment for the Series 2021 BP Loan from TWDB to fund the Lake Ralph Hall project.
- An increase of \$64,740 which represents the first partial interest only payment for the Series 2021 BP Loan from TWDB to fund the Harpool Northeast Transmission Pipeline, Phases 1 and 2 projects.
- An increase of \$2,108,445 related to the first payment for the Series 2024 Refunding Bonds issued to convert approximately \$65.0 million of outstanding variable rate debt used to finance various capital improvement projects to long-term debt. The Adopted FY 2024 budget included half a year of debt

service of \$1,965,860 to refund \$55.0 million of variable rate debt, but this was postponed to later in FY 2024 to refund the previously mentioned \$65.0 million amount.

- New debt service amount of \$2,665,125 (half year of principal and interest) for Series 2025 Refunding Bonds to convert approximately \$73.0 million of variable rate debt to long-term debt. This debt issue is planned in mid-FY 2025.
- An increase of \$1,118,800 in Interest expense for a greater usage of variable rate debt to fund various capital improvement projects, while the interest rate was reduced from 4.75% for FY 2024 to 4.45% for FY 2025.

TRANSFERS OUT

- Transfers Out consist of:
 - The FY 2024 Adopted Budget transfer in of \$159,900 consisted of interest on a tentative \$3,000,000 million loan from the Regional Treated Water Systems' Non-Bond Capital Reserve to the Northeast Regional Water Reclamation System (Doe Branch Plant) to fund a Texas Department of Transportation's (TxDOT) relocation of District infrastructure for the Highway 380 widening project. With adequate and timely reimbursements made by TxDOT to the District for prior period funds spent on this project, this loan was not necessary. The FY 2024 estimate reflects the budgeted payments for June through September 2024 that won't occur. Therefore, there is no transfer in shown for FY 2025 for repayment of this loan.
 - A contribution is normally required that is equal to 25.0% of O&M expenses (less debt service). However, this reserve is anticipated to be at least 100.0% funded at the end of FY 2025 without a contribution amount.
 - A contribution of \$1,965,745 to the Capital Replacement Reserve is provided for in the volume rate at \$0.12 / 1,000 gallons (same as FY 2024) to accumulate funds to a portion of the future replacement of District infrastructure (i.e., pipelines, plants, lift stations, pump stations).
 - A contribution of \$380,445 to the Vehicle and Equipment Replacement Reserve is calculated according to the quantity and age of District owned vehicles and equipment assigned to the System. The increase in this contribution is due to purchasing all previously leased vehicles needed sufficient funds available for their future replacement.
 - A contribution of \$163,810 to the Raw Water Holding Pond Dredging Reserve is provided in the volume rate at \$0.01 / 1,000 gallons (same as FY 2024) to accumulate funds for future raw water holding pond dredging activities at the Taylor and Harpool Regional Treated Water Plants.
 - A contribution of \$327,625 to the Water Conservation Program is provided for in the volume rate at \$0.02 / 1,000 gallons (same as FY 2024) to accumulate funds to promote water conservation initiatives. In addition, funds from this contribution will also be used to fund a new Irrigation Specialist position for FY 2025.
 - A contribution of \$327,625 to the Watershed Protection Program is provided for in the volume rate at \$0.02 / 1,000 gallons (same as FY 2024) to accumulate funds for designated District operating expenses incurred for the promotion of educational, research, and community activities related to the protection of the District's watershed.
 - A contribution of \$327,625 to the Future Water Program is provided for in the volume rate at \$0.02 / 1,000 gallons (same as FY 2024) to accumulate funds for studies and planning activities for the development of future water sources for the District.
 - A contribution of \$100,000 to the Administration Fund represents a portion of Customer Volume Revenues from the 7.0% surcharge included in the Customer volume rate to fund administration services.

- An FY 2024 contribution of \$3,438,095 to the Interest and Sinking (I&S) Reserve from excess working capital to provide funding to offset debt increases in FY 2025 and FY 2026 from the conversion of outstanding variable rate debt to long-term debt.
- An FY 2024 contribution of \$3,500,000 to the Non-Bond Capital Reserve from excess working capital to provide equity cash funding for future capital projects.
- An FY 2024 contribution of \$250,000 to the O&M Reserve from excess working capital to decrease the required contribution amount from rates in FY 2025.
- An FY 2024 contribution of \$2,000,000 to the Lake Ralph Hall Reservoir Operating Reserve from excess working capital to provide funding for various types of equipment, facilities, and supplies for the future Lake Ralph Hall and the support facilities around the reservoir so that these expenses are not included in the rates and charges of the Regional Treated Water System.
- An FY 2024 contribution of \$3,000,000 to the Lake Ralph Hall Reserve from excess working capital to accumulate funds to assist with future debt service payments from the debt issued to construct the Lake Ralph Hall project.
- An FY 2024 contribution of \$130,000 to the Vehicle and Equipment Replacement Reserve from excess working capital to fund the purchase of new vehicles (two) for the new Process Controls Analyst and Electrician II positions for FY 2025. The purchase of these two vehicles is included in the Maintenance budget.

MAINTENANCE EXPENSE

- This allocation reflects 46.5% of the adopted Maintenance budget.

ADMINISTRATION FUND OVERHEAD EXPENSE

- Allocation of Administration Fund expenses to the Regional Treated Water System operations.

INFORMATION TECHNOLOGY

- Allocation of Information Technology Fund expenses to the Regional Treated Water System operations.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Provide all District customers with dependable, high-quality water.
 - *The District's Operations staff employ technologies and monitoring programs to ensure the finished water is safe and healthy. Daily, monthly, and semi-annual testing confirms that the water meets and exceeds the high standards of drinking water required by EPA and TCEQ regulations.*
 - *Taylor and Harpool Plants follow TCEQ approved monitoring plans. These plans ensure that all required testing is conducted and provides transparency of means and methods for meeting or exceeding all standards and regulations.*
 - *Updated Taylor Plant to Concentration Time (CT) Study to confirm TCEQ guidelines are met following clearwell improvements.*
 - *Continually confirm that laboratory testing, both in-house and contracted, follow EPA or TCEQ required testing guidelines and methods.*
 - *Maintained compliance and performance during challenging events such as construction shutdowns, plant improvements, and record high demand on the water system.*
 - *Construction of the Leon Hulse Dam for Lake Ralph Hall continued during FY 2024, with expected completion by 2026. Construction of the associated raw water pump station, raw water pipeline, and balancing reservoirs is well underway with estimated completion in FY 2025.*
 - *The District continues to coordinate and provide data to assist the Region C Water Planning Group in its preparation of future Region C Water Plans and monitors three water rights permit applications (Kiamichi River, Muddy Boggy Creek, and Lake Texoma) filed with the Oklahoma Water Resources Board (OWRB) seeking a total of 115,000 acre-feet/year of raw water from any combination of these sources.*
 - *The District continues exploring other sources of raw water including developed and undeveloped raw water sources.*
 - *Continued partnership with Texas Parks and Wildlife Department that includes the Harpool Emergency Storage Lake in the statewide zebra mussel testing and monitoring program.*
 - *The District, working with all customer cities, developed, and implemented our Federally Mandated Emergency Preparedness Plan to ensure facilities are prepared for, and able to, maintain operability during emergency events.*
 - *Continued cross-training program of water system plant staff to maintain good operational redundancy.*
 - *Taylor Plant High Service Pump Station and Stonehill Pump Station Pumping Improvements. The Southwest Pump Station and Storage Facility Project, and RTWS Hydraulic and Resiliency projects on time to be under construction.*
 - *Removal and Upsizing of Section of Phase 1A Water Transmission Pipeline project is complete and in service.*
 - *Design of the Taylor Plant Expansion project to increase plant capacity from 70.0mgd to 85.0mgd is near completion.*
 - *The Harpool Operations and Maintenance Team conducted annual full-scale condition audit of all the membrane filtration units during March 2024. Unscheduled membrane maintenance and downtime continues to be near zero as a result of the coordinated and strategic planning of this work.*
 - *The National Robert O. Vernon Membrane Plant Operator of the Year Award was presented individually to Jeff Mlak (North Division Operations Manager), but it truly represents the entire Harpool WTP team's hard work and dedication. Their collective efforts and exceptional*

performance were key to earning this recognition, reflecting the strength and expertise of the whole team within the organization. .

- As of September 2024, the Tom Harpool Water Treatment Plant (WTP) has reached full staffing capacity, ensuring that all key operational roles are filled. This milestone strengthens our ability to maintain efficient operations and enhance the plant's performance, allowing us to meet the increasing demands of our service area with a fully supported and capable team.
- The Harpool operations team has implemented an ongoing water quality monitoring plan for manganese. In addition, they conduct increased laboratory testing, including jar testing, to adjust chemical treatments and further minimize the impact of manganese, ensuring better quality and aesthetics in the finished water..
- Planning discussions continue for a second local raw water storage lake one mile north of the Harpool Plant.
- A pilot plant to test the pressure membrane system modules for the next Harpool plant expansion began in April 2023. The pilot study was completed in November 2023, and we received the final report in June 2024. In partnership with Carollo Engineering, we have continued our sampling program to gather as much information as possible to ensure we make the most informed plant expansion decisions. Construction on the Harpool Diurnal Pond to provide additional raw water storage, pretreatment, and plant operational flexibility reached substantial completion during the Summer 2024. The diurnal pond was officially put into service in July 2024, with finishing work still ongoing. This pond provides us with significant operational flexibility in managing flow rates and meeting fluctuating demand. By offering increased capacity for water storage, the diurnal pond enables us to better balance peak demand periods and maintain consistent water delivery, ensuring greater reliability and efficiency in our overall system.
- In July 2024, the Harpool plant implemented a new high service pump control program as an early milestone of the ongoing diurnal pond project. This allows the use of 2 high service pumps simultaneously on the North discharge line and has enabled the District to continue to meet the ever-growing demands of the customers on that service line. The first of 3 new upsized high-service pumps for the Harpool plant was installed and the new pump control strategy was implemented, increasing both pumping capacity and system flexibility. The high-service pump upgrade project is ongoing and will extend into FY 2025.
- Construction and programming has been completed on Celina vault B improvements.
- The District has recently formed a dedicated safety committee, consisting of representatives from each department. This team is tasked with thoroughly assessing safety concerns across the organization and proactively implementing solutions to ensure a safer and more secure environment for all.
- We are dedicated to providing reliable water delivery through our daily operations. We stay in close contact with our stakeholders and raw water partners to ensure sufficient supplies and manage ongoing projects smoothly. This proactive teamwork is key to achieving our goals. Throughout this summer of record water flows, we worked closely with our customers to manage usage and avoid shortages. By building strong partnerships and encouraging conservation, we make sure that everyone gets the water they need. Our efforts highlight our commitment to supporting the community and ensuring a sustainable water supply.
- Celebrated Mark Long for achieving his Class A Wastewater License, placing him among an elite group of professionals who hold dual Class A licenses in both Water and Wastewater. Additionally, congratulations to Tony Curtis for achieving a Class A Water License in 2024. These significant accomplishments from Long and Curtis, both members of the Harpool operations team, reflect our organization's dedication to protecting public health, professional development, and upholding the highest industry standards.

- *Launched a college internship program designed to raise awareness of this career field and attract top talent from universities. This initiative provides students with practical, hands-on experience that goes beyond classroom learning, allowing them to gain a deeper understanding of the industry. Through this program, students have the opportunity to engage in meaningful projects, collaborate with experienced professionals, and develop critical skills that will benefit their future careers. Our goal is to not only introduce students to the various career paths available in the field but also to create a pipeline of skilled, motivated individuals who are well-prepared to enter the workforce upon graduation.*
 - *Started a high school internship program to raise awareness of this career field and attract talented students. The program offers hands-on experience, helping students explore different roles and learn more about the industry. By working with local high schools, we hope to inspire students to consider careers in this field, encouraging a passion for learning and growth. Through mentorship and real-world projects, we aim to develop the next generation of professionals and create a strong pool of future talent.*
- ✓ Minimize the impact of water treatment costs to offset water rate increases.
- *The District has initiated a data analysis program to ensure efficient and effective use of our raw water resources. Our goal is to utilize the most cost-effective source water while carefully planning for the future, ensuring we remain within our annual water allocation limits*
 - *Reuse program modifications and updates were implemented during FY 2024 increasing available reuse thus reducing raw water costs.*
 - *Reuse permit amendment application for Chapman Lake to add additional WRF's to the permit is currently under review by TCEQ. Projected date of permit approval FY 2025. Lake Ralph Hall reuse permit to be submitted to TCEQ in FY 2025.*
 - *Taylor Plant GAC filter media level measurements and other filter testing to determine backwash efficiency and underdrain integrity are performed several times per year. Results of this testing indicate that it is time for removal of degraded media and replacement (topping off) of GAC media to return all filters to full level are scheduled for Winter 2024 / Spring 2025.*
 - *Performed major preventive maintenance on the variable frequency drives at Taylor Plant High Service Pump Station.*
 - *Completed numerous repairs and modifications to Stonehill High Service Pumps to provide more efficient pumping of finished water to customers.*
 - *Numerous other projects are underway to provide redundancy and more efficient delivery of water to customers, including a large scale RTWS transmission system leak detection program to establish a pipeline testing schedule over the course of the next several years.*
 - *Maintained 100% billing meter accuracy for the 7th consecutive year.*
 - *The very successful Operations/Maintenance cross-training program for new staff members continued in 2024 with plans to expand this program in 2025.*
 - *The District's Transmission and Collection System's preventive maintenance program has had another successful year. This program is allowing our staff to quickly identify and address problems before they become emergencies. In most of our system, all pipeline appurtenances are easily identified and all easements easily navigable. The goal for early 2025 is to get the small remaining portion of the water system to 100% accessible and easily navigable.*
 - *Continued to maintain and expand spare parts inventory of key operational equipment at all facilities.*
 - *Continue with hydraulic modeling and long-range flow projections, the District continues to develop transmission system improvements and treatment plant needs to facilitate CIP planning.*

- *The Harpool team has been diligently optimizing coagulant dosages through comprehensive jar testing and data analysis. Our goal is to consistently deliver the highest quality water at the most cost-effective rate*
 - *Harpool has started exploring ways to optimize the membrane cleaning process, which lowers chemical costs, extends the membrane's lifespan, and reduces the time the filter is out of service for cleaning.*
 - *We continue to invest in our employees by providing high level training opportunities and encouraging them to join national organizations to further their education. As a result, their enhanced expertise leads to smarter solutions and innovative ideas that generate cost savings for the district and customers*
- ✓ Maintain security/safety of systems and resources.
- *The SCADA upgrade to System Platform to unify the design and function of SCADA for all District plants has been completed.*
 - *All treatment facilities are linked to all the plants in the District with cameras and/or SCADA monitoring.*
 - *Numerous cameras are installed throughout the District to improve site security. Plans for FY 2026 are to initiate a security upgrade project that includes housing data on local servers at each treatment or other critical facility. This will allow us to capture video footage of the entire facility that will help with operational performance and site security.*
 - *Operations data and records such as meter readings and laboratory test results have now been fully migrated to a SQL Server, with redundancy. This improves data integrity and security for both historical and current records, while still maintaining a high degree of usability.*
 - *The operations team will be exploring solutions for a primary operational data visualization and analyzation tool in FY 2025. Implementation and upgrading of this system are planned for FY 2026.*
 - *Data Management User-Interface is underway to aid in the ease and accuracy of data capture.*
 - *Harpool operations group continues to optimize its historical data to be migrated to SQL server. This process has allowed for the creation of multiple weekly and monthly data reports for raw water flows, electrical usage, customer flows and Lake Jim Chapman raw water storage to help optimize every component of treatment operations and the executive leadership team with water system management decision making.*

HOUSEHOLD HAZARDOUS WASTE

The District is committed to providing safe and efficient collection, transportation, and disposal of household hazardous materials for our members and customers.

MISSION

Our mission is to safely collect and properly dispose of hazardous household wastes, and to educate citizens about the potential threat these materials pose to our water sources.

GOALS AND OBJECTIVES

- Promote Customer participation in the District’s Household Hazardous Waste Collection Program (HHW Program).
 - Promote area wide collection events instead of individual events, when possible, to improve efficiency and reduce costs.
 - Provide current HHW information on the District’s website, including additional information on paint disposal.
 - Update the District’s Board of Directors annually about the HHW program.
 - Host at least 2 mobile collection events next year.
- Encourage District employees to participate in the HHW Program.
 - Actively recruit employees to become HHW collection team members.
 - Train HHW team members through certification and refresher courses.
 - Educate employees about the importance of the HHW program and ways to participate by conducting informative talks at employee luncheons or through printed material.

Provide containers to collect household batteries at District facilities.

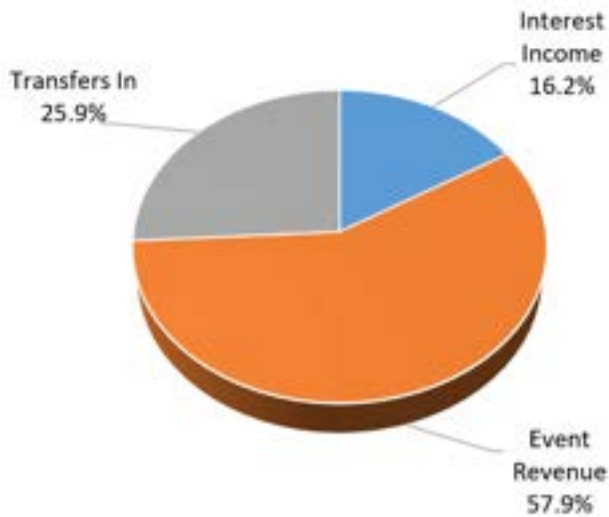
PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Program Summary	Maintain current information about HHW program on the District's website.	100%	100%	100%
Program Promotion	Continue promoting HHW program throughout service area.	100%	100%	100%
Team Member's Training	Keep all staff current on HHW training.	100%	100%	100%
Processing and Collecting Equipment	Continue to improve event protocol and acquire needed equipment for efficient and safe collection events.	95%	100%	100%

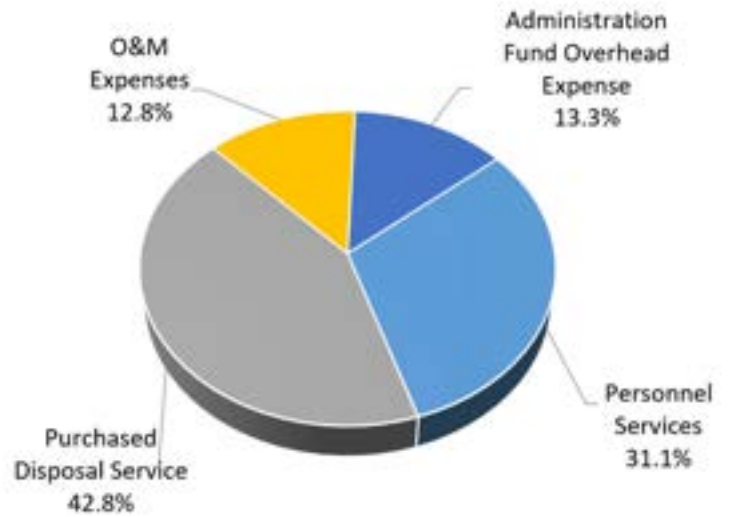
BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance (Operating Cash)	\$ 133,331	\$ 132,356	\$ 132,603	\$ 127,393
Transfer to Operations	\$ (11,750)	\$ (8,000)	\$ (9,000)	\$ (10,000)
Beginning Balance (Operating Cash) Revised	\$ 121,581	\$ 124,356	\$ 123,603	\$ 117,393
Operating Revenue				
Event Revenue	\$ 20,526	\$ 22,330	\$ 33,970	\$ 22,330
Interest Income	5,723	7,455	6,500	6,250
Transfers In - Working Capital	11,750	8,000	9,000	10,000
Total Operating Revenue	\$ 37,999	\$ 37,785	\$ 49,470	\$ 38,580
Operating Expense				
Personnel Services	\$ 8,403	\$ 10,720	\$ 11,725	\$ 11,725
Administrative Expense	-	200	-	-
Purchased Disposal Service	10,250	16,150	24,605	16,150
O&M Expenses	3,324	4,975	4,350	4,835
Administration Fund Overhead Expense	5,000	5,000	5,000	5,000
Total Operating Expense	26,977	37,045	45,680	37,710
Ending Balance (Operating Cash)	\$ 132,603	\$ 125,096	\$ 127,393	\$ 118,263

Operating Revenues



Operating Expenditures



SUMMARY OF MAJOR CHANGES

HOUSEHOLDS

Entity	FY 2024 Budget	FY 2025 Budget
Cross Roads	40 households	40 households
Denton County	125 households	125 households
District Vouchers	5 households	5 households
Total	170 households	170 households

RATE STRUCTURE

	FY 2024 Budget	Adopted FY 2025 Budget
Collection Events & Disposal	\$132 / household	\$132 / household
Ft. Worth Voucher	\$110 / household	\$110 / household
Event Voucher	\$132 / household	\$132 / household

*minimum 25 households per event

REVENUES

- A Transfer In (\$10,000) is being made from working capital of the Household Hazardous Waste program.
- Two participating members indicate they plan to hold events during the fiscal year.
- Interest income is representative of current market conditions.

EXPENSES

OPERATING EXPENSES

- The adopted budget includes funding for staffing the HHW events.
- Landfill disposal fee from City of Fort Worth is unchanged from FY 2024 (\$95 per voucher) for FY 2025.
- Decreased Administrative expense to match prior year spending.

ADMINISTRATION FUND OVERHEAD EXPENSE

- Allocation of Administration Fund expenses to operations.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Continue voucher program.
 - *Processed 7 Fort Worth voucher participants.*
- ✓ Hold at least 2 mobile events each fiscal year.
 - *Hosted 3 mobile events, with 249 households participating. A total of 23,032 lbs. of household hazardous waste was collected at these mobile events.*
- ✓ Collected HHW materials from District employees.
 - *District employees continue to properly dispose of hazardous materials used and collected at the various District facilities, including light bulbs, used oil, and batteries.*

OTHER FUNDS / RESERVES

The District accounts for appropriations from operating funds for operations and maintenance expenditures, capital asset replacements, healthcare claim expenditures and liabilities, and deposits from developers and / or District participants in several reserves for various District needs.

Each operating fund (system) includes its own group of Reserves in which transfers in and out are made to offset certain non-routine expenditures (O&M Reserve) or to accumulate funds for the replacement of certain assets.

OPERATIONS AND MAINTENANCE RESERVE

To account for contributions from a system based on a portion of the total variable charge per 1,000 gallons of water delivered or wastewater treated. The District's requirement is to fund this reserve to yield 25.0% of the operating expenditures of a system, less debt service made from annual contributions, and is a contractual obligation with District members / participants. Interest is earned on these contributions and is retained in this reserve until the reserve has reached the 25.0% level. This account can be utilized to stabilize rates and charges from year to year by transferring funds from this reserve to operating cash to assist with one-time capital purchases and/or unpredictable expenditures that arise during a fiscal year.

CAPITAL REPLACEMENT RESERVE

To account for contributions from a system based on a portion of the total variable charge per 1,000 gallons of water delivered or wastewater treated. The District's current goal is to fund this type of reserve to yield an annual contribution that will accumulate over time to fund a portion of the future replacement of District infrastructure (i.e., pipelines, plants, lift stations, pump stations).

RAW WATER HOLDING POND DREDGING RESERVE

This reserve is to account for contributions from the RTWS based on a portion of the total variable charge per 1,000 gallons of water delivered. Funds accumulated in this reserve will be used to periodically remove silt at the District's raw water holding ponds to increase their storage capacity.

WATERSHED PROTECTION PROGRAM

To account for contributions from the Regional Treated Water System (RTWS) based on a portion of the total variable charge per 1,000 gallons of water delivered. Funds accumulated in this reserve are used for designated District operating expenses incurred for the promotion of educational, research and community activities related to the protection of the District's watershed.

WATER CONSERVATION PROGRAM

To account for contributions from the RTWS based on a portion of the total variable charge per 1,000 gallons of water delivered. Funds accumulated in this reserve are used to promote water conservation initiatives.

FUTURE WATER PROGRAM

To account for contributions from the RTWS based on a portion of the total variable charge per 1,000 gallons of water delivered. Funds accumulated in this reserve are used for future water initiatives.

LAKE RALPH HALL RESERVE

To account for deposits earmarked to provide funding, at the discretion of the District's Board of Directors, to offset future rate impacts to participants in the Regional Treated Water System.

LAKE RALPH HALL RESERVOIR OPERATING RESERVE

To account for deposits for the purchase of various assets to be used in the operation of Lake Ralph Hall, rather than using debt instruments to purchase these assets once the Lake has been placed into operation and open to the public.

NORTHEAST CONTRIBUTION RESERVE

To account for deposits made by District participants (Fresh Water Supply Districts #8A and #11A, Elm Ridge WCID, and Providence Village) as its Alternative Project Payment required by the Contract for its original minimum demand of 1.52 mgd in the RTWS. These funds are to be used by the District for the security and efficiency of District facilities in the northeastern portion of Denton County.

GAS LEASE RESERVE

To account for lease payments received for the use of District land for natural gas drilling activities. These funds are used at the discretion of the District for various needs. This reserve is found only in the RTWS.

NON-BOND CAPITAL RESERVE

To account for deposits earmarked to provide funding, at the discretion of the District's Board of Directors, for the Capital Improvement Program, or other District needs.

PLANT PERMITTING RESERVE

To account for annual deposits to accumulate over time so that funding is available for the renewal of the Texas Commission on Environmental Quality (TCEQ) water reclamation plant permitting process every three years.

BUILDING ACTIVITY FEE RESERVE

To account for fees paid to the District from participants in the Northeast Regional Water Reclamation System for each building permit issued on newly constructed houses in Fresh Water Supply Districts #8A and #11A, Elm Ridge WCID, and Providence. Funds received from Mustang Special Utility District were transferred to the Peninsula Construction Cash Reserve in FY 2020 to be used as a contribution source for the expansion of the Peninsula Water Reclamation Plant. This fee is no longer collected from Mustang SUD per contract amendment. These funds are used at the discretion of the District for various needs.

VEHICLE AND EQUIPMENT REPLACEMENT RESERVE

To account for contributions from all operating systems, based on an established replacement schedule. The District's goal is to fund this type of reserve to yield an annual contribution to replace District vehicles and/or equipment according to policy.

SELF-INSURANCE RESERVE

To account for funds set aside for partially self-funded health insurance liabilities. The District pays medical claims throughout the year up to an established stop-loss amount which is set as a maximum per contract with the District's carrier. At year end, dollars remaining in the fund are shown in the individual system funds which together account for all cash on-hand in the District's bank account.

UPPER TRINITY CONSERVATION TRUST FUND (THE TRUST)

Initially funded for FY 2011 with seed money transferred from the Project Development Fund and the Watershed Protection Program. This Trust will be used to protect water quality in streams and lakes and water resource assets in local watersheds; and, to encourage conservation of water and land resources with watersheds from which water is provided for the service area of the District. The primary goal and function of the Trust is to educate various stakeholders (i.e., landowners, civic groups, community leaders and local governments) about the importance of watershed protection and how the Trust can be a tool in protecting water quality in local streams and lakes. The Trust is a component unit of the District and is accounted for as a discretely presented component unit in the District's Annual Comprehensive Financial Report.

OPERATING AND MAINTENANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 8,080,831	\$ 8,570,866	\$ 8,718,231	\$ 9,423,341
REVENUES				
Transfer In - Operations	291,500	28,000	278,000	-
Interest Income	345,900	206,375	427,110	409,915
TOTAL REVENUES	\$ 637,400	\$ 234,375	\$ 705,110	\$ 409,915
EXPENDITURES				
Transfer Out - Operations	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 8,718,231	\$ 8,805,241	\$ 9,423,341	\$ 9,833,256

FY 2025 Ending Balance increase of \$1,028,015 is due to increased interest income in addition to transferring excess working capital of \$250,000 (from FY 2023 operations) to this reserve in FY 2024.
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CAPITAL REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 8,913,872	\$ 10,572,502	\$ 10,711,568	\$ 12,588,948
REVENUES				
Transfer In - Operations	1,797,696	1,814,635	1,877,380	1,965,745
TOTAL REVENUES	\$ 1,797,696	\$ 1,814,635	\$ 1,877,380	\$ 1,965,745
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 10,711,568	\$ 12,387,137	\$ 12,588,948	\$ 14,554,693

FY 2025 Ending Balance increase of \$2,167,556 is a result of reflecting FY 2025 transactions for this reserve. Additionally, FY 2024 flows were higher than originally projected, therefore increasing the FY 2024 contribution amount by \$62,745.
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RAW WATER HOLDING POND DREDGING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 2,012,161	\$ 2,662,006	\$ 2,821,208	\$ 3,112,918
REVENUES				
Transfers In				
Operations	1,163,427	151,220	156,450	163,810
Working Capital	-	-	-	-
Interest Income	104,656	90,025	135,260	111,410
TOTAL REVENUES	\$ 1,268,083	\$ 241,245	\$ 291,710	\$ 275,220
EXPENDITURES				
Transfer Out - Operations	459,036	-	-	-
TOTAL EXPENDITURES	\$ 459,036	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 2,821,208	\$ 2,903,251	\$ 3,112,918	\$ 3,388,138

FY 2025 Ending Balance increase of \$484,887 is due to the projected transfer for FY 2025 and increased interest income.
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WATERSHED PROTECTION PROGRAM

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 343,829	\$ 323,280	\$ 349,322	\$ 325,717
Transfer to Operations		\$ (3,060)	\$ (23,605)	
BEGINNING CASH BALANCE Revised		\$ 320,220	\$ 325,717	
REVENUES				
Transfers In				
Operations	326,854	302,440	312,895	327,625
Working Capital	-	3,060	23,605	-
TOTAL REVENUES	\$ 326,854	\$ 305,500	\$ 336,500	\$ 327,625
EXPENDITURES				
Personnel Services	88,570	90,000	90,000	90,000
Administrative	4,566	7,500	9,300	8,675
Program Expenses (Public Information)				
Public Information	-	5,000	5,000	5,000
Media Campaigns	147,992	115,000	126,000	125,000
Watershed Signs	-	2,000	2,000	2,000
Program Expenses (Public Outreach)				
Public Information				
Texas Parks and Wildlife				
Zebra Mussels	5,000	5,000	5,000	5,000
Festivals	-	2,000	2,000	2,000
Sponsorships	15,000	7,500	7,500	7,500
Furniture & Equipment	-	-	15,000	-
Professional Services				
USGS Monitoring Program	19,560	19,500	19,560	19,500
Greenbelt Plan Implementation	-	15,000	15,000	15,000
Water Quality Monitoring	-	5,000	5,000	5,000
Other Outside Services	7,310	-	140	-
Overhead Allocation	8,364	7,000	10,000	7,000
Transfer Out - Upper Trinity				
Conservation Trust	25,000	25,000	25,000	25,000
TOTAL EXPENDITURES	\$ 321,361	\$ 305,500	\$ 336,500	\$ 316,675
ENDING CASH BALANCE 9/30	\$ 349,322	\$ 320,220	\$ 325,717	\$ 336,667

WATER CONSERVATION PROGRAM

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 200,953	\$ 159,448	\$ 211,704	\$ 176,599
Transfer to Operations		\$ (41,485)	\$ (35,105)	\$ (80,050)
BEGINNING CASH BALANCE Revised		\$ 117,963	\$ 176,599	\$ 96,549
REVENUES				
Transfers In				
Operations	326,854	302,440	312,895	327,625
Working Capital	-	41,485	35,105	80,050
TOTAL REVENUES	\$ 326,854	\$ 343,925	\$ 348,000	\$ 407,675
EXPENDITURES				
Personnel Services	84,154	90,000	90,000	180,000
Administrative	4,348	5,925	10,000	5,675
Program Expenses	219,373	240,000	240,000	213,000 *
Overhead Allocation	8,228	8,000	8,000	9,000
TOTAL EXPENDITURES	\$ 316,103	\$ 343,925	\$ 348,000	\$ 407,675
ENDING CASH BALANCE 9/30	\$ 211,704	\$ 117,963	\$ 176,599	\$ 96,549

FY 2025 Ending Balance decrease of \$21,414 is due to the increase in Personnel Services for a new Irrigation Specialist position.
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*** - FY 2025 Program Expenses**

Water My Yard	
Annual Renewal of AgriLife	\$ 5,500
Weather Station Maintenance	2,000
Media Campaigns	165,000
Public Information	5,000
Public Outreach	
Sponsorships	3,000
Festivals	1,000
School Outreach Program	2,500
Regional Symposium	3,000
GreenPros Program	1,000
Irrigation System Check-Ups	
Administration Fee	7,500
Check-Ups	12,500
Industrial, Commercial, & Institutional Audit Program	5,000
Total	\$ 213,000

FUTURE WATER PROGRAM

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 531,671	\$ 551,337	\$ 608,113	\$ 583,058
Transfer to Operations		\$ (40,560)	\$ (25,055)	\$ (287,375)
BEGINNING CASH BALANCE Revised		\$ 510,777	\$ 583,058	\$ 295,683
REVENUES				
Transfers In				
Operations	326,854	302,440	312,895	327,625
Working Capital	-	40,560	25,055	287,375
TOTAL REVENUES	\$ 326,854	\$ 343,000	\$ 337,950	\$ 615,000
EXPENDITURES				
Personnel Services	24,067	30,000	42,450	45,000
Administrative	37,192	48,000	17,000	25,000
Professional Services	181,352	250,000	250,000	350,000
Overhead Expenses	7,800	15,000	8,500	15,000
Transfer Out - Construction Cash Reserve	-	-	20,000	180,000
TOTAL EXPENDITURES	\$ 250,412	\$ 343,000	\$ 337,950	\$ 615,000
ENDING CASH BALANCE 9/30	\$ 608,113	\$ 510,777	\$ 583,058	\$ 295,683

FY 2025 Ending Balance decrease of \$215,094 is due to increased Professional Services expense and Transfers Out for the Greater Texoma Utility Authority Regional Water Utility Study.

LAKE RALPH HALL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 19,850,794	\$ 24,011,849	\$ 24,011,847	\$ 27,386,812
REVENUES				
Transfer In - Operations	3,178,115	-	2,000,000	-
Interest Income	982,938	1,200,590	1,374,965	1,117,385
TOTAL REVENUES	\$ 4,161,053	\$ 1,200,590	\$ 3,374,965	\$ 1,117,385
EXPENDITURES				
	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 24,011,847	\$ 25,212,439	\$ 27,386,812	\$ 28,504,197

FY 2025 Ending Balance increase of \$3,291,758 is due primarily to the transfer of excess FY 2023 working capital of \$2,000,000 in FY 2024 and interest earnings projected for FY 2025.
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LAKE RALPH HALL RESERVOIR OPERATING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ -	\$ -	\$ -	\$ 3,069,030
REVENUES				
Transfer In - Operations	-	-	3,000,000	-
Interest Income	-	-	69,030	130,435
TOTAL REVENUES	\$ -	\$ -	\$ 3,069,030	\$ 130,435
EXPENDITURES				
	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ -	\$ -	\$ 3,069,030	\$ 3,199,465

This reserve was established during FY 2024 with initial funding provided by the transfer of \$3,000,000 of excess FY 2023 working capital.

NORTHEAST CONTRIBUTION RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 573,893	\$ 573,893	\$ 573,893	\$ 573,893
REVENUES	-	-	-	-
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ENDING CASH BALANCE 9/30	<u><u>\$ 573,893</u></u>	<u><u>\$ 573,893</u></u>	<u><u>\$ 573,893</u></u>	<u><u>\$ 573,893</u></u>

GAS LEASE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 661,308	\$ 689,133	\$ 689,134	\$ 721,829
REVENUES				
Interest Income	27,826	28,565	32,695	30,680
TOTAL REVENUES	<u>\$ 27,826</u>	<u>\$ 28,565</u>	<u>\$ 32,695</u>	<u>\$ 30,680</u>
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ENDING CASH BALANCE 9/30	<u><u>\$ 689,134</u></u>	<u><u>\$ 717,698</u></u>	<u><u>\$ 721,829</u></u>	<u><u>\$ 752,509</u></u>

NON-BOND CAPITAL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 13,100,455	\$ 13,854,140	\$ 15,908,017	\$ 17,780,172
Transfer to Operations				\$ (9,193,220)
BEGINNING CASH BALANCE Revised				\$ 8,586,952
REVENUES				
Deposit - TxDOT Reimbursement for Projects	-	1,634,000	2,968,515	-
Transfers In				
Regional Treated Water System				
Operations	3,354,250	-	3,500,000	-
Working Capital	-	-	-	9,193,220
Northeast Regional Water Reclamation System				
Operations (Loan Interest)	-	159,900	26,650	-
Doe Branch Construction Cash Reserve (Loan Repayment)	-	3,000,000	-	-
Interest Income	626,548	653,090	887,400	282,435
TOTAL REVENUES	\$ 3,980,798	\$ 5,446,990	\$ 7,382,565	\$ 9,475,655
EXPENDITURES				
Transfers Out				
Regional Treated Water System				
Operations	42,975	-	-	-
Construction Cash Reserve	1,130,261	5,007,040	5,510,410 *	9,475,655
Capital Facilities Equipment Reserve **	-	35,000	-	-
TOTAL EXPENDITURES	\$ 1,173,236	\$ 5,042,040	\$ 5,510,410	\$ 9,475,655
ENDING CASH BALANCE 9/30	\$ 15,908,017	\$ 14,259,090	\$ 17,780,172	\$ 8,586,952

FY 2025 Ending Balance decrease of \$5,672,138 is largely due to funding CIP projects for FY 2025, offset by TxDOT reimbursements and the transfer of excess working capital of \$3,500,000 in FY 2024. FY 2025 funding for RTWS capital projects are as follows: \$1,023,500 - Operations Remote Communications Improvement Project (519C), \$350,000 - RTWS System Hydraulic Modeling (515B), \$350,000 - RTWS Alignment Study (515C), \$1,607,930 - 802 Kealy Phase 2 Improvements (51W4), \$1,300,000 - Temple Dane Pump Station Improvements (512T), \$10,000 - Roadway Improvements Coordination Adjustments (513W), \$5,000 - Lewisville Lake / USACE Dam Coordination (51W3), \$50,000 - U.S. Hwy 377 / TxDOT Appurtenances and Adjustments Project (51T7), \$25,000 - Relocation / TxDOT US Hwy 380 Project (Denton County) (51T8), \$3,822,500 - TxDOT / IH-35 Project (51TN), \$118,355 - TxDOT / IH-35W and FM 407 Project (51TA), \$380,000 - Relocation / TxDOT FM 2931 Project (51TB), \$350,000 - Relocation / TxDOT FM 1385 Project (51TG), and \$83,370 (of \$100,000 shown in CIP Budget) - Contingency Improvements (51WI). The total of these project expenditures is \$9,475,655.

* Amount also contains expenditures: \$42,425 - SCADA System Improvements - Wonderware (519Q), \$105,000 - Treated Water Optimization and Implementation Plan (516N), and \$250,000 - Restore / Relocate Portion of Sanger Water Pipeline (516A). These projects are expected to be completed in FY 2024 and are not shown on the accompanying 5-Year list of capital improvements projects.

** Funding originally provided for the purchase of spare equipment for Operations. However, this procedure was changed to fund spare equipment from rate revenues.

OPERATING AND MAINTENANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 867,566	\$ 1,033,276	\$ 1,035,177	\$ 1,135,177
REVENUES				
Transfer In - Operations	128,500	-	50,000	-
Interest Income	39,111	33,065	50,000	36,895
TOTAL REVENUES	\$ 167,611	\$ 33,065	\$ 100,000	\$ 36,895
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 1,035,177	\$ 1,066,341	\$ 1,135,177	\$ 1,172,072

CAPITAL REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 1,098,732	\$ 1,258,032	\$ 1,256,907	\$ 1,455,042
REVENUES				
Transfer In - Operations	158,175	169,960	198,135	171,785
TOTAL REVENUES	\$ 158,175	\$ 169,960	\$ 198,135	\$ 171,785
EXPENDITURES				
	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 1,256,907	\$ 1,427,992	\$ 1,455,042	\$ 1,626,827

FY 2025 Ending Balance increase of \$198,835 is mainly due to and addiotnal \$28,175 from higher than projected 2024 flows and including the FY 2025 contributions of \$171,785.

NON-BOND CAPITAL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 7,015,853	\$ 7,736,338	\$ 8,277,065	\$ 7,798,335
Transfer to Operations		\$ (6,043,310)	\$ (478,730)	\$ (6,617,935)
BEGINNING CASH BALANCE Revised		\$ 1,693,028	\$ 7,798,335	\$ 1,180,400
REVENUES				
Transfers In				
Operations	743,580	200,000	1,306,385	200,000
Construction Cash Reserve	308,489	-	-	-
Working Capital	-	6,043,310	478,730	6,617,935
Interest Income	349,328	247,565	457,875	202,760
TOTAL REVENUES	\$ 1,401,397	\$ 6,490,875	\$ 2,242,990	\$ 7,020,695
EXPENDITURES				
Transfers Out				
Construction Cash Reserve	140,185	6,490,875	2,055,000	7,020,695
Project Development Fund	-	-	187,990	-
TOTAL EXPENDITURES	\$ 140,185	\$ 6,490,875	\$ 2,242,990	\$ 7,020,695
ENDING CASH BALANCE 9/30	\$ 8,277,065	\$ 1,693,028	\$ 7,798,335	\$ 1,180,400

FY 2025 Ending Balance decrease of \$512,628 is largely due to a shift in the timeline for the Plant Expansion, Phase 3 project, and for funding the following LRWRS capital projects: \$2,600,690 - Plant Expansion, Phase 3 (51L2), \$370,005 - System Interceptor and Odor Control Improvements (513B), \$4,000,000 - Lift Station Improvements (5179), and \$50,000 - Contingency Improvements (51LM).

PLANT PERMITTING RESERVE

	<u>FY 2023 Actuals</u>	<u>FY 2024 Budget</u>	<u>FY 2024 Estimates</u>	<u>FY 2025 Budget</u>
BEGINNING CASH BALANCE 10/01	\$ 59,000	\$ 22,000	\$ 22,000	\$ 26,000
Transfer to Operations	\$ (37,000)	\$ (14,000)		
BEGINNING CASH BALANCE Revised	<u>\$ 22,000</u>	<u>\$ 8,000</u>		
REVENUES				
Transfers In				
Operations	3,000	6,000	6,000	8,000
Working Capital	37,000	14,000	-	-
TOTAL REVENUES	<u>\$ 40,000</u>	<u>\$ 20,000</u>	<u>\$ 6,000</u>	<u>\$ 8,000</u>
EXPENDITURES				
Transfer Out - Construction Cash Reserve	40,000	20,000	2,000	-
TOTAL EXPENDITURES	<u>\$ 40,000</u>	<u>\$ 20,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>
ENDING CASH BALANCE 9/30	<u>\$ 22,000</u>	<u>\$ 8,000</u>	<u>\$ 26,000</u>	<u>\$ 34,000</u>

FY 2025 Ending Balance increase of \$26,000 is due to the accumulation of funds for the next renewal of the Texas Pollutant Discharge Elimination System permit anticipated to begin in FY 2028 and lower than anticipated costs in FY 2024.
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OPERATING AND MAINTENANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 29,045	\$ 30,275	\$ 30,267	\$ 31,712
REVENUES				
Interest Income	1,222	1,400	1,445	1,200
TOTAL REVENUES	\$ 1,222	\$ 1,400	\$ 1,445	\$ 1,200
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 30,267	\$ 31,675	\$ 31,712	\$ 32,912

CAPITAL REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 351,585	\$ 381,060	\$ 381,060	\$ 410,535
REVENUES				
Transfer In - Operations	29,475	29,475	29,475	29,475
TOTAL REVENUES	<u>\$ 29,475</u>	<u>\$ 29,475</u>	<u>\$ 29,475</u>	<u>\$ 29,475</u>
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ENDING CASH BALANCE 9/30	<u>\$ 381,060</u>	<u>\$ 410,535</u>	<u>\$ 410,535</u>	<u>\$ 440,010</u>

NON-BOND CAPITAL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 391,571	\$ 489,811	\$ 489,799	\$ 576,244
REVENUES				
Transfer In - Operations	94,420	25,000	80,350	25,000
Interest Income	3,808	4,000	6,095	5,000
TOTAL REVENUES	\$ 98,228	\$ 29,000	\$ 86,445	\$ 30,000
EXPENDITURES				
Transfer Out - Operations	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 489,799	\$ 518,811	\$ 576,244	\$ 606,244

FY 2025 Ending Balance increase is due to the transfer in of \$55,350 from excess working capital generated from FY 2023 operational activities, and another annual deposit of \$25,000 for FY 2025.
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OPERATING AND MAINTENANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 1,450,787	\$ 1,744,997	\$ 1,760,388	\$ 2,072,978
REVENUES				
Transfer In - Operations	243,500	42,500	225,700	115,000
Interest Income	66,101	57,200	86,890	71,110
TOTAL REVENUES	\$ 309,601	\$ 99,700	\$ 312,590	\$ 186,110
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 1,760,388	\$ 1,844,697	\$ 2,072,978	\$ 2,259,088

FY 2025 Ending Cash increase of \$414,391 is due to including the required transfer of \$115,000 for FY 2025 to meet the required reserve balance equivalent to 25.0% of operating expenses plus the Excess Flow Surcharge of \$148,200 in FY 2024.

CAPITAL REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 187,984	\$ 302,999	\$ 309,834	\$ 451,714
REVENUES				
Transfer In - Operations	121,850	122,455	141,880	156,585
TOTAL REVENUES	\$ 121,850	\$ 122,455	\$ 141,880	\$ 156,585
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 309,834	\$ 425,454	\$ 451,714	\$ 608,299

FY 2025 Ending Cash increase of \$182,845 is due to FY 2025 contribution based on \$0.05 / 1,000 gallons of annual treatment flows and increased FY 2024 flows.

NON-BOND CAPITAL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 1,547,672	\$ 1,370,129	\$ 1,310,058	\$ 3,899,033
Transfer to Operations	\$ (221,970)	\$ (134,905)		
BEGINNING CASH BALANCE Revised	\$ 1,325,702	\$ 1,235,224		
REVENUES				
Deposits				
TxDOT Reimbursement - US Hwy 380 Projects (51B8 and 51R8)	468,940	-	1,212,445	-
Transfers In				
Operations	472,847	48,985	1,378,900	62,635
Working Capital	221,970	134,905	-	-
Riverbend Plant Construction Cash Reserve	-	-	-	-
Doe Branch Plant Construction Cash Reserve	-	-	-	826,830
Interest Income	80,884	56,765	149,815	120,600
TOTAL REVENUES	\$ 1,244,641	\$ 240,655	\$ 2,741,160	\$ 1,010,065
EXPENDITURES				
Transfers Out				
Operations	-	-	-	-
Riverbend Plant Construction Cash Reserve	317	-	2,185 *	-
Doe Branch Plant Construction Cash Reserve	1,259,968	-	150,000	150,000
Capital Facilities Equipment Reserve **	-	240,655	-	-
TOTAL EXPENDITURES	\$ 1,260,285	\$ 240,655	\$ 152,185	\$ 150,000
ENDING CASH BALANCE 9/30	\$ 1,310,058	\$ 1,235,224	\$ 3,899,033	\$ 4,759,098

FY 2025 Ending Cash increase of \$3,523,874 is due to depositing excess working capital (from FY 2023 operations) of \$1,322,145 and TxDOT reimbursements of \$1,212,445 received in FY 2024.

* Amount contains expenditures: \$2,185 - Relocation / TxDOT US Hwy 380 Project (51R8). This project is to be completed by the end of FY 2024 and is not shown on the 5-Year list of capital improvement projects in the CIP Funds section of the budget document for the Northeast Regional Water Reclamation System.

** Funding originally provided for the purchase of spare equipment for Operations. However, this procedure was changed to fund spare equipment from rate revenues.

PLANT PERMITTING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 57,202	\$ 66,202	\$ 76,202	\$ 78,177
REVENUES				
Transfer In - Operations	19,000	19,000	19,000	19,000
TOTAL REVENUES	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000
EXPENDITURES				
Transfer Out - Riverbend Plant Construction Cash Reserve	-	-	17,025 *	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ 17,025	\$ -
ENDING CASH BALANCE 9/30	\$ 76,202	\$ 85,202	\$ 78,177	\$ 97,177

FY 2025 Ending Balance increase of \$11,975 is due to the annual deposit from operations shown for FY 2025, in order to accumulate funds for the next renewal of the Texas Pollutant Discharge Elimination System (TPDES) for the Riverbend and Doe Branch Plants, while completing the current renewal of the TPDES permit. The next renewal period is scheduled for fiscal years 2026 through 2028.

* Amount shown for FY 2024 reflects funding for a prior renewal of the Riverbend Plant's TPDES permit, and is not reflected on the accompanying 5-Year list of capital improvement projects.

BUILDING ACTIVITY FEE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 324,405	\$ 328,605	\$ 328,605	\$ 332,755
REVENUES				
Deposit - Building Activity Fees	4,200	4,250	4,150	4,250
TOTAL REVENUES	\$ 4,200	\$ 4,250	\$ 4,150	\$ 4,250
EXPENDITURES				
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 328,605	\$ 332,855	\$ 332,755	\$ 337,005

OPERATING AND MAINTENANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 264,538	\$ 350,688	\$ 359,350	\$ 483,525
REVENUES				
Transfer In - Operations	82,000	105,000	105,000	-
Interest Income	12,812	14,580	19,175	18,495
TOTAL REVENUES	\$ 94,812	\$ 119,580	\$ 124,175	\$ 18,495
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 359,350	\$ 470,268	\$ 483,525	\$ 502,020

CAPITAL REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 120,043	\$ 139,108	\$ 140,320	\$ 163,460
REVENUES				
Transfer In - Operations	20,277	21,900	23,140	47,450
TOTAL REVENUES	\$ 20,277	\$ 21,900	\$ 23,140	\$ 47,450
EXPENDITURES	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 140,320	\$ 161,008	\$ 163,460	\$ 210,910

FY 2025 Ending Balance increase of \$49,902 is largely due to the FY 2025 contribution amount of \$47,450.
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NON-BOND CAPITAL RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 898,570	\$ 929,123	\$ 976,654	\$ 1,227,024
Transfer to Operations				\$ (940,885)
BEGINNING CASH BALANCE Revised				\$ 286,139
REVENUES				
Transfers In				
Operations	35,874	21,900	251,870	47,450
Working Capital	-	-	-	940,885
Interest Income	42,210	30,435	58,500	11,665
TOTAL REVENUES	\$ 78,084	\$ 52,335	\$ 310,370	\$ 1,000,000
EXPENDITURES				
Transfer Out - Construction Cash Reserve	-	-	60,000 *	1,000,000
TOTAL EXPENDITURES	\$ -	\$ -	\$ 60,000	\$ 1,000,000
ENDING CASH BALANCE 9/30	\$ 976,654	\$ 981,458	\$ 1,227,024	\$ 286,139

FY 2025 Ending Balance decrease of \$695,319 is primarily due to funding the Clarifier Rehabilitation project (51N4).

* Amount contains expenditures: \$60,000 - Plant Expansion, Phase 3 (51N3). This project is expected to be completed in FY 2024 and is not shown on the accompanying 5-Year list of capital improvements projects.

PLANT PERMITTING RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 22,000	\$ 28,575	\$ 28,575	\$ 40,575
REVENUES				
Transfer In - Operations	12,000	12,000	12,000	12,000
TOTAL REVENUES	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
EXPENDITURES				
Transfer Out - Construction Cash Reserve	5,425	-	-	-
TOTAL EXPENDITURES	\$ 5,425	\$ -	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ 28,575	\$ 40,575	\$ 40,575	\$ 52,575

FY 2025 Ending Balance increase of \$12,000 is due to the annual deposit from operations shown for FY 2025, in order to accumulate funds for the next renewal of the Texas Pollutant Discharge Elimination System (TPDES) in FY 2026 and FY 2027.

VEHICLE AND EQUIPMENT REPLACEMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 3,199,529	\$ 3,117,479	\$ 3,367,479	\$ 1,705,139
Transfer to Operations			<u>(1,662,340)</u>	
BEGINNING CASH BALANCE Revised			\$ 1,705,139	
REVENUES				
Transfers In				
RTWS Operations	57,770	73,085	203,085	380,445
Lakeview Operations	65,900	36,765	36,765	121,985
NERWRS Operations	47,880	54,860	54,860	202,790
Peninsula Operations	14,040	18,995	18,995	52,225
Working Capital	-	-	1,662,340	-
	\$ 185,590	\$ 183,705	\$ 1,976,045	\$ 757,445
EXPENDITURES				
Lease Vehicles	-	-	1,700,045	-
Maintenance Crane Truck	-	-	276,000	-
PCA Truck	-	-	-	50,000
Electrician Truck	-	-	-	75,000
UTV (Repl. for Vehicle #053)	17,640	-	-	-
TOTAL EXPENDITURES	\$ 17,640	\$ -	\$ 1,976,045	\$ 125,000
ENDING CASH BALANCE 9/30	\$ 3,367,479	\$ 3,301,184	\$ 1,705,139	\$ 2,337,584

FY 2025 Ending Balance decrease of \$963,600 is largely due to the termination of the Enterprise lease program and subsequent purchase of all previously leased vehicles.

CAPITAL FACILITIES EQUIPMENT RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ -	\$ -	\$ -	\$ -
REVENUES				
Transfers In				
RTWS Non-Bond Capital Reserve	-	35,000	-	-
NERWRS Non-Bond Capital Reserve	-	240,655	-	-
TOTAL REVENUES	\$ -	\$ 275,655	\$ -	\$ -
EXPENDITURES				
RTWS				
Quincy Compressors	-	20,000	-	-
CIP Pump	-	15,000	-	-
NERWRS				
Aeration Blower	-	100,000	-	-
Aerzen blower spare parts	-	33,890	-	-
Spare North Lift Station Pump	-	38,075	-	-
Invent mixer body and shaft parts	-	53,385	-	-
AUMA air valve	-	8,895	-	-
AUMA grit valve	-	6,410	-	-
TOTAL EXPENDITURES	\$ -	\$ 275,655	\$ -	\$ -
ENDING CASH BALANCE 9/30	\$ -	\$ -	\$ -	\$ -

This reserve was established to allow for the purchase of Inventory items to have on hand in the event of an equipment failure. This reserve is no longer being utilized.

SELF-INSURANCE RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 3,248,351	\$ 3,926,336	\$ 3,926,339	\$ 4,188,224
REVENUES				
Transfers In				
Administration Fund	552,791	666,255	558,660	574,500
NPWS Operations	5,453	5,770	6,325	6,125
RTWS Operations	1,274,192	1,213,350	1,320,770	1,081,435
Lakeview Operations	267,564	298,875	277,395	268,370
NERWRS Operations	612,477	619,735	572,050	590,850
Peninsula Operations	104,866	132,085	105,665	112,570
TOTAL REVENUES	\$ 2,817,343	\$ 2,936,070	\$ 2,840,865	\$ 2,633,850
EXPENDITURES				
Administration Fund	550,906	666,255	562,780	574,500
NPWS Operations	5,019	5,770	6,010	6,125
RTWS Operations	834,339	1,213,350	1,055,270	1,081,435
Lakeview Operations	216,811	298,875	275,470	268,370
NERWRS Operations	451,869	619,735	574,150	590,850
Peninsula Operations	80,411	132,085	105,300	112,570
TOTAL EXPENDITURES	\$ 2,139,355	\$ 2,936,070	\$ 2,578,980	\$ 2,633,850
ENDING CASH BALANCE 9/30	\$ 3,926,339	\$ 3,926,336	\$ 4,188,224	\$ 4,188,224

FY 2025 Ending Balance increase of \$261,888 is due to lower than anticipated claims payout in FY 2024.

UPPER TRINITY CONSERVATION TRUST

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 98,194	\$ 98,419	\$ 108,007	\$ 102,647
Transfer to Operations		\$ (10,000)	\$ (10,000)	\$ (10,000)
BEGINNING CASH BALANCE Revised		\$ 88,419	\$ 98,007	\$ 92,647
REVENUES				
Charitable Contributions	3,500	1,500	3,400	1,500
Grants	-	-	7,500	-
Watershed Partners Program	4,575	3,875	3,775	3,875
Transfers In				
Working Capital	-	10,000	10,000	10,000
Watershed Protection Program	25,000	25,000	25,000	25,000
Interest Income	858	1,020	1,195	1,200
TOTAL REVENUES	\$ 33,933	\$ 41,395	\$ 50,870	\$ 41,575
EXPENDITURES				
Personnel Services	14,412	20,500	19,690	20,000
Administrative	4,577	5,425	4,575	5,425
Grant Program	5,000	10,000	10,000	10,000
Professional Services	131	4,600	4,465	4,000
Transfers Out				
Watershed Protection Program	-	-	7,500	-
Legal Defense Reserve	-	-	-	500
TOTAL EXPENDITURES	\$ 24,120	\$ 40,525	\$ 46,230	\$ 39,925
ENDING CASH BALANCE 9/30	\$ 108,007	\$ 89,289	\$ 102,647	\$ 94,297

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a planning and budgeting tool that provides information about the Upper Trinity Regional Water District's infrastructure needs. It identifies requirements for sustaining, restoring, modernizing, and expanding the facilities that support water supply, treatment / delivery, and wastewater collection / treatment. It also prioritizes and schedules projects for funding and execution through a multi-year plan. Additionally, the District's Board of Directors conduct weighted votes for expenditure of funds throughout the fiscal year for capital improvement projects.

District staff utilize several sources for the development of the annual CIP budget. These include, but are not limited to:

- Annual Member / Customer surveys.
- North Central Texas Council of Governments (NCTCOG) data.
- Texas Water Development Board State Plan (Region C Water Planning Group).
- Engineering studies for improving / upgrading District operations.
- Population / Demographics / Housing starts data.
- Monthly meetings between District Engineering, Operations, and Business staff for planning, development, and on-going maintenance of the annual CIP budget.

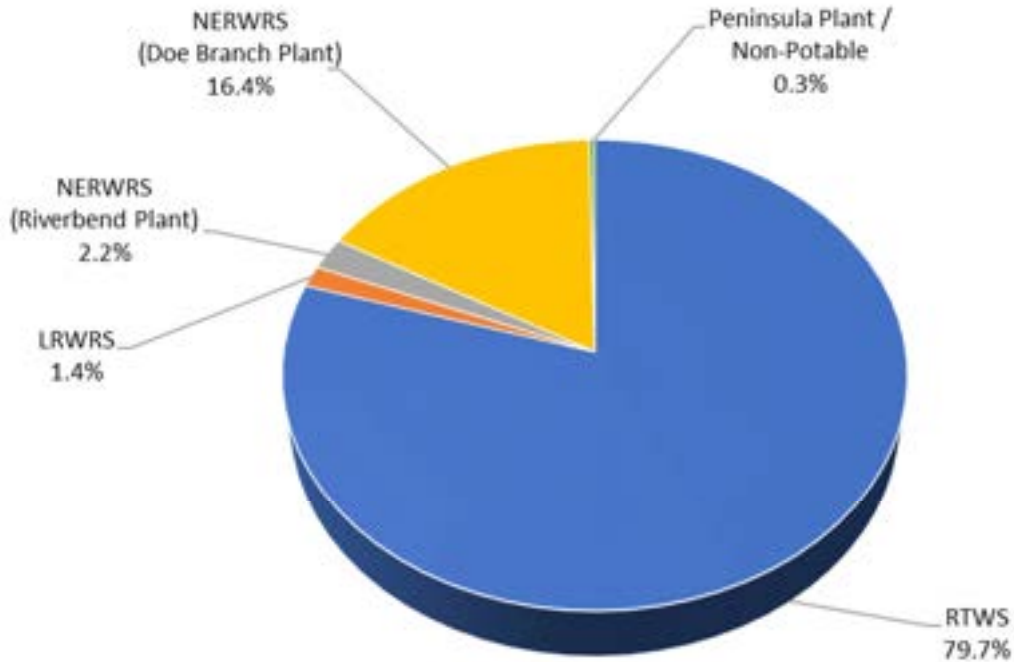
The FY 2025 CIP supports the following systems / plants:

- Regional Treated Water System
- Non-Potable Water System
- Lakeview Regional Water Reclamation System
- Northeast Regional Water Reclamation System (Riverbend and Doe Branch Plants)
- Peninsula Water Reclamation Plant

BUDGETED EXPENDITURES

The District’s FY 2025 Capital Improvements Program includes only the highest priority projects for on-going needs within our regional service area. The total District capital budget for FY 2025 is \$488,085,920. This budget amount is \$112,402,300 (29.9%) higher than the prior year capital budget of \$375,683,620, due to continuing the construction phase on various segments of the Lake Ralph Hall project, as well as ramping up construction on the Harpool, Taylor, and Doe Branch Plant expansion projects.

The graph below shows the FY 2025 Budgeted Capital expenditures by system.



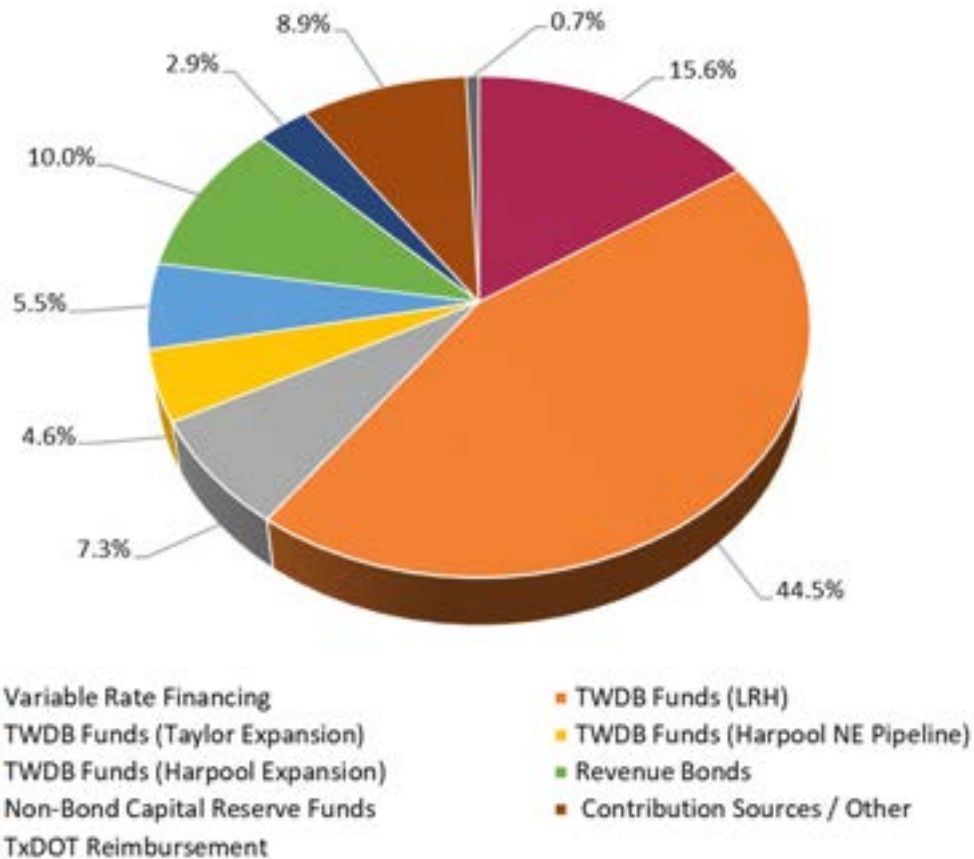
FUNDING

Funding for capital projects falls primarily into four general categories:

- Revenue Bonds (considered Senior Lien Debt)
- Texas Water Development Board (TWDB) Funding consists of:
 - State Water Implementation Fund for Texas (SWIFT) Deferred Interest and Subsidized Interest Loans (considered Senior Lien Debt)
 - Board Participation / State Participation Funding (considered Junior Lien Debt),
- Variable Rate Financing (considered Junior Lien Debt), and
- Internally generated capital funds (Non-Bond Capital Reserves).

Other funding methods include use of rate revenues / cash from operations, as well as contributions from District participants and customers.

When the District’s operating systems were initially established, participating entities agreed to contracts that would assure the District a stable and dependable source of revenue to cover each entity’s proportionate share for the cost of administration and planning, along with the costs of operating, maintaining, and financing each project. In addition, the District has entered into contractual agreements with certain Fresh Water Supply Districts (FWSDs) and others, to provide initial funding of infrastructure costs for portions of the District’s Northeast Regional Water Reclamation System and the Peninsula Plant. Under these agreements, the District will own and operate the regional system and may extend service to others. These funds are subject to reimbursement when local development provides a dependable revenue stream that is adequate to support debt service on the permanent financing.



CONSTRUCTION CASH RESERVES

Construction Cash Reserves are utilized to account for financial resources used for the acquisition and construction of major capital facilities and infrastructure. The primary source of funding for District Capital Improvement Programs in FY 2025 is from the use of TWDB Board Participation funds. Treated Water and Water Reclamation System Revenue Bonds are specifically issued for improvements and are repaid from the operating revenue generated by water and water reclamation sales. Other sources of construction funding are variable rate financing, revenue bonds, reserves, and contributions from developers and District participants. Interest earned on these funds is retained in this reserve and is subject to Internal Revenue Service arbitrage rules, except for reserves and contributions from developers and participants.

ALLOCATION OF DEBT SERVICE AND EFFECT ON DISTRICT OPERATING BUDGET

A project detail sheet is included for each capital project with funding for FY 2025. This detail sheet includes a project description, the annual project expenditures (by category) and its annual funding sources. In addition, for those capital projects placed into service between FY 2025 and FY 2029 that will affect the District's operating budget, estimates are provided for their annual operating expenses.

For purposes of reflecting a construction project's share of a system's annual debt service, allocated annual debt service amounts are provided for projects funded by Variable Rate Financing, Revenue Bonds, Texas Water Development Board Funds and / or Water Infrastructure Funds. Debt service assigned to a project is its proportionate share of debt service expense based on its actual expenditures. For example, if revenue bonds were issued to fund one project, that project would be assigned 100% of the annual debt service. Additionally, if variable rate financing was used to fund 10 projects, each of those projects would be assigned a portion of the total annual expense related to the use of variable rate financing (i.e., interest, letter of credit costs, dealer fees, etc.), based on each projects' actual expenditures (current year plus prior years).

A summary sheet reflecting estimated operating and debt expense estimates from capital projects, along with their effect on each system's operating budget, is also included.

ENGINEERING

The District is committed to providing engineering services for the provision and transportation of safe, adequate, efficient, and reliable raw and finished water, collection of wastewater flows, and treatment facilities for water and wastewater that meet the long-term needs of the growing region.

MISSION

Our mission is to provide planning, design, construction management, and field inspection services for capital projects, and to ensure that projects are completed on schedule, within budget, and comply with professional services and construction contracts.

GOALS AND OBJECTIVES

- Maintain a Capital Improvement Plan that provides adequate facilities to the existing and planned development areas in a manner that does not exceed the District’s financial capability.
 - All capital improvements shall continue to be developed through an assessment of existing capacity, existing demand, and projected demand over the next five years (or other appropriate period).
- Conduct project management with respect to adhering to the scope of the project, project timelines, and financial restraints.
 - Compare construction contract requirements to the actual work performed on a timely basis to ensure that the contractor continues to follow the scope of the project, within the agreed timelines and budget.
 - Manage projects in the best interest of the District.
- Provide up-to-date information on the progress of projects that are currently under design or construction during Board of Director briefings.
 - For major projects, provide periodic updates to the Board at their meetings.
- Identify future right-of-way needs and the impact to future capital improvement projects.
 - Appraisal preparation and review of right-of-way acquisition should begin timely following a project being identified and all acquisition complete prior to the construction contract being awarded.

PERFORMANCE MEASUREMENTS

Work Element	Measure	FY 2023 Actuals	FY 2024 Estimates	FY 2025 Target
Projects completed within Construction and Engineering estimates	Percent variation to cost estimates	5%	+/- 10%	+/- 10%
Change orders processed on completed construction projects	Percent variation on completed construction project amounts	3%	+/- 10%	+/- 10%
Construction contract awards approved by the Board	Number of contracts awarded	17	6	6
Construction contracts accepted by Board as complete	Number of contracts accepted	7	4	4
Right of way parcels acquired	Number of parcels acquired	LRH=66 Other=17	LRH=8 Other=23	LRH=11 Other=25
Right of way parcels acquired according to budget and construction timelines	Percent of properties acquired on time and within budget	100.0%	100.0%	> 90.0%

PERSONNEL SUMMARY

ENGINEERING POSITIONS

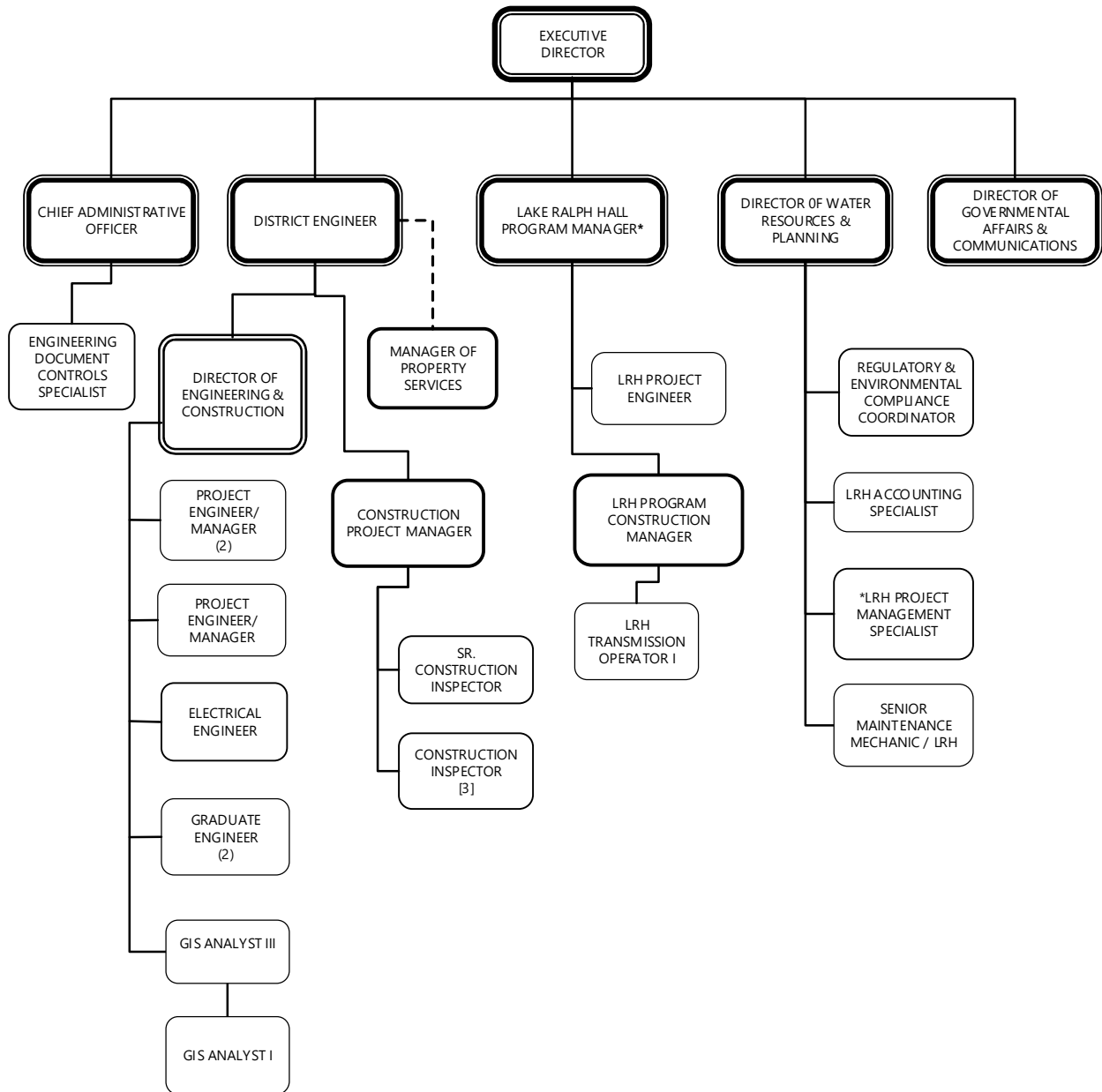
Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Executive Director	.25	.25	.25	.15
District Engineer	0	0	0	.90
Director of Engineering & Construction	.90	.90	.90	.90
Director of Special Projects & System Optimization	0	.90	.90	0
Deputy Director of Engineering & Construction	0	.90	.90	0
Director of Gov. Affairs / Communication	0	0	0	.10
Manager of Gov. Affairs / Communication	.25	.25	.25	0
Assistant Director of Engineering & Construction	.90	0	0	0
Senior Professional Engineer	.90	0	0	0
Project Engineer / Manager	0	0	0	2.70
Electrical Engineer	.40	.40	.40	.40
Project Engineer	.90	1.80	1.80	0
Professional Engineer	.90	0	0	0
Graduate Engineer	1.80	1.80	1.80	1.80
GIS Analyst	.90	.90	.90	.90
Manager of Property Services	.90	.90	.90	.90
Construction Project Manager	.90	.90	.90	.90
Senior Construction Inspector	.90	.90	.90	.90
Construction Inspector	2.70	2.70	2.70	2.70
Engineering Documents Control Specialist	0	.90	.90	.90
Total FTEs	13.50	14.40	14.40	14.15

LAKE RALPH HALL POSITIONS

Positions	FY 2023 Actuals	FY 2024 Budget	FY 2024 Revised	FY 2025 Budget
Executive Director	0	0	0	.10
Director of Water Resources & Planning	0	0	0	.80
Assistant Director of Operations - Water Resources	.80	.80	.80	0
LRH Program Manager	.80	.80	.80	.80
LRH Program Construction Manager	1	1	1	1
LRH Project Engineer	1	1	1	1
LRH Transmission Operator	0	0	0	1
LRH Construction Inspector	0	1	1	0
Capital Project Analyst	1	0	0	0
Senior Maintenance Mechanic	1	1	1	1
LRH Project Management Specialist	.50	.50	.50	.50
Regulatory & Environmental Compliance Coordinator	.75	.85	.85	.85
LRH Accounting Specialist	0	1	1	1
LRH Secretary	1	0	0	0
Total FTEs	7.85	7.95	7.95	8.05

Additional Positions (contract): Lake Ralph Hall Secretary, LRH Field Service Coordinator

ORGANIZATIONAL CHART



BUDGET SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2024 Estimates	FY 2025 Adopted
Beginning Balance	\$ -	\$ -	\$ -	\$ -
Operating Expense				
Personnel Services	\$ 3,126,747	\$ 3,875,680	\$ 3,460,010	\$ 3,297,000
Total Operating Expense	\$ 3,126,747	\$ 3,875,680	\$ 3,460,010	\$ 3,297,000
Transfer to Capital Projects	(1,332,834)	(2,203,060)	(1,418,320)	(2,052,130)
Transfer to Lake Ralph Hall Project	(1,793,913)	(1,672,620)	(2,041,690)	(1,244,870)
Ending Balance	\$ -	\$ -	\$ -	\$ -

PERSONNEL SERVICES

90.0% of the Engineering Division's staff-time (Non-Lake Ralph Hall) is allocated to all capital projects, while 10.0% of their time, along with 100.0% of Administrative and O&M Expenses, is included in the Administration Fund budget. Subsequently, 95.0% of all Administration Fund expenses are then allocated to the Operating Funds (Systems) and individual capital projects. This was done so that a portion of the Engineering Division's expenses would become a revenue requirement and, thus, funded via Rates and Charges from Operating Systems.

The reduction in Personnel Services is driven by an adjustment in the allocation of certain personnel to the Engineering fund. The FY 2025 Adopted Budget includes funding for 1 new position, a Project Engineer / Manager. Lake Ralph Hall (LRH) staff-time is fully assigned to this capital project which entered the Construction phase in FY 2022.

TRANSFER TO CAPITAL PROJECTS

Throughout the year, these expenditures are directly expensed to capital projects, as well as operating systems based on actual activities. All remaining expenditures (indirect) are allocated to all capital projects having incurred expenses during the fiscal year.

TRANSFER TO LAKE RALPH HALL PROJECT

As the Lake Ralph Hall project progressed, dedicated staff became necessary to meet the demands of the project. These associated costs represent the Transfer to Lake Ralph Hall.

ACCOMPLISHMENTS FOR FY 2023-2024

- ✓ Maintain a Capital Improvement Plan that provides adequate facilities to serve the existing and planned areas in a manner that does not exceed the District's financial ability.
 - *The Capital Improvement Program includes major rehabilitations and expansions to existing facilities, as well as providing for new facilities when necessary to meet the needs of the District's customers / participants. This program is updated frequently throughout the year with adjustments presented to the District's Board of Directors (for approval) in April (mid-year) and in September (for budget adoption).*
- ✓ Conduct project management with respect to adhering to the scope of the project, project timelines and financial restraints.
 - *Ongoing, monthly meetings are scheduled to review the status of each current project.*
- ✓ For major projects, provide up-to-date information on the progress of projects that are currently under design or construction during Board of Director briefings.
 - *Several times during the fiscal year status reports are provided to the Board on current projects during their regular scheduled meetings.*
- ✓ Identify future right-of-way needs and the impact for future capital improvement projects.
 - *Upon the completion of alignment studies, rights-of-way are identified.*
- ✓ Strive to make substantial progress and / or complete capital improvement projects.
 - *Regional Treated Water System*
 - *Lake Ralph Hall is well into year three of construction with progress visible on several fronts. The Leon Hulse Dam is 57% complete, transitioning to Phase 2 of construction in October. The Roadway Relocations are almost complete. Traffic has been diverted onto all the new roadways. Likewise utility relocations are complete, except for a few power lines. Construction has progressed on the Raw Water Pump Station (51% complete) and the Raw Water Pipeline (70% complete). The Mitigation Contractor is almost complete with construction and will transition into the monitoring phase early next year. The reservoir clearing is complete on the east side of the lake and will start on the west side early next year.*
 - *Transitioned water system operational data from Excel spreadsheets to a Microsoft Structured Query Language (SQL) centralized database for improved reliability and accuracy of data, as well as improved operational efficiency.*
 - *Developed a treated water Optimization and Implementation Plan to allow for strategic planning for the CIP program including hydraulic modeling assistance and customer and member coordination.*
 - *Completed the removal and replacement of treated water pipeline along a segment of Phase 1A to provide redundancy and flexibility for the Regional Treated Water System.*
 - *Lakeview Regional Water Reclamation System*

- *Successfully renewed the Texas Pollutant Elimination System permit required by the Texas Commission on Environmental Quality.*
- *Northeast Regional Water Reclamation System - Riverbend Plant*
 - *Utilizing projections from the Construction Manager at Risk (CMAR), determined the anticipated funding for the West Influent Lift Station project.*
- *Northeast Regional Water Reclamation System - Doe Branch Plant*
 - *Based on member input, capacity determined for the Doe Branch Plant Expansion, Phase 3.*
 - *Developed a funding plan for the expansion as well as the Phase 1, Parallel Interceptor based on CMAR projections and coordination with member cities.*
- *Peninsula Water Reclamation Plant*
 - *Completed final improvements of the expansion of the Peninsula Water Reclamation Plant to provide increased capacity from 0.94 to 2.0 MGD.*

REGIONAL TREATED WATER SYSTEM

The Regional Treated Water System comprises the majority of the Capital Improvement Program’s budgeted expenditures for FY 2025. As shown in the five-year capital improvement program, the FY 2025 adopted capital budget for the Regional Treated Water System is \$389,069,360; an increase of \$84,069,615 from the previous year adopted capital budget of \$304,999,745. This increase is primarily due to continuing construction on certain segments of the Lake Ralph Hall project.

FY 2025 funding consists of the following:

Funding Sources	FY 2025 Budget
Variable Rate Financing (net)	\$75,994,225
TWDB Funds (Lake Ralph Hall)	\$217,078,030
TWDB Funds (Taylor Plant Expansion)	\$35,500,000
TWDB Funds (Harpool Northeast Transmission Pipeline)	\$22,657,300
TWDB Funds (Harpool Plant Expansion)	\$27,100,000
Non-Bond Capital Reserve Funds (net of TxDOT Reimbursements)	\$6,644,905
Contribution Sources	\$1,017,520
Customer Reimbursements	\$50,000
Growth Program Funds	\$16,630
Future Water Program Funds	\$180,000
TxDOT Reimbursements	\$2,830,750

CURRENT PROJECTS

Southwest Pump Station, Phase 1 – Due to growth in the southwest service area of the Regional Treated Water System, as well as to increase the capacity and pumping pressure for water sent to the farthest edges of this area, funding is needed for continued design / engineering activities and construction of ground storage tanks and a pump station. This project will also include a screening wall and fence to provide a barrier for a nearby subdivision.

- FY 2025 Budget: \$14,389,125
- Funding Source: Variable Rate Financing

Lake Ralph Hall – The District is continuing with its strategic planning activities to ensure an adequate supply of water resources for the next 50 years. The District was previously awarded a water rights permit by the Texas Commission on Environmental Quality (TCEQ) to enable the District to construct a new water supply lake -- Lake Ralph Hall -- with a tentative completion date of FY 2030. The proposed lake, located in Fannin County in the Sulphur River Basin, will provide the District with approximately 35.0 mgd of raw water. In February 2020, the District received the coveted Section 404 Clean Water Act permit from the U.S. Corps of Engineers. This was the final permit needed to begin construction on the Lake. In FY 2021, construction began on segments of the proposed Lake Ralph Hall and associated transmission pipelines.

For FY 2025, funding provides for the transition to phase 2 of dam construction and continued construction of the raw water pump station and pipelines.

- FY 2025 Budget: \$240,317,890
- Funding Sources: Variable Rate Financing, anticipated TWDB Board Participation Funds

RTWS General Treatment and Pumping Improvements – Due to continued increases to demand for treated water from the District’s customer base, funding is needed to continue design / engineering for a multi-year project for the upgrade and improvement of several components of this plant that include additional / new pumps and electrical equipment at the Raw Water Intake Structure, Taylor RWTP, and Stone Hill Pump Station. This project also includes a second point of delivery and metering station in Providence Village.

- FY 2025 Budget: \$5,605,180
- Funding Source: Variable Rate Financing, annual reimbursement from Providence Village at \$248,770

Thomas E. Taylor WTP Expansion, Phase 3 (from 70.0 to 85.0 MGD) – Due to increased demand for treated water from the District’s customer base, funding is needed for design / engineering and construction for a multi-year project providing improvements to filters basins, settled water bypass, pumps, electrical, Lewisville Lake Intake Pump Station Improvements, Raw Water Pipeline and Meter Vault, Flocculation and Sedimentation Basins, Backwash Supply Tank Fill Pump Station, Backwash Recovery Basin and Recycle Pump Station, Onsite Sodium Hypochlorite Generation, Sodium Hydroxide and Liquid Ammonium Sulfate, Ozone System Expansion, Replacement and Ozone Injection Improvements, and Electrical Service Upgrades and Backup Generators.

- FY 2025 Budget: \$50,000,000
- Funding Sources: Variable Rate Financing, TWDB Board Participation Funds

Lake Lewisville Raw Water Pump Station Improvements – Due to the age of this pump station, upgrades to electrical, pumping, and other critical components of the Lake Lewisville raw water intake pump station are necessary. Funding is provided to continue design / engineering and begin construction of this multi-year project.

- FY 2025 Budget: \$2,618,940
- Funding Source: Variable Rate Financing

RTWS Northeast Pump Station and Ground Storage Tanks – Funding needed to continue to purchase rights-of-way / easements and begin design and engineering for the construction of new storage tanks for the Regional Treated Water System, northeast of Lewisville Lake, to provide increased pressure and improved distribution of treated water for customers / members in the northeast service area.

- FY 2025 Budget: \$1,050,000
- Funding Source: Variable Rate Financing

Harpool RWTP Phased Treatment Expansion, Phase 1 – Due to projected population growth in the northeast service area, funding is provided to continue a phased expansion of the Harpool Regional Water Treatment Plant to include expanded administration, maintenance, and water treatment facilities, increasing plant capacity to 30.0 mgd.

- FY 2025 Budget: \$3,517,000
- Funding Source: Variable Rate Financing

Harpool RWTP Phased Treatment Expansion, Phase 2 – As service area population continues to increase, funding is provided to continue phase 2 of the Harpool Regional Water Treatment Plant expansion. This expansion will increase plant capacity by 30.0 mgd, leading to a total of 60.0 mgd at the plant.

- FY 2025 Budget: \$30,797,125
- Funding Sources: Variable Rate Financing, TWDB Board Participation Funds

Lake Ralph Hall Terminal Storage – Funding provides for the District's participation in design / engineering for the future construction of the Lake Ralph Hall Terminal Storage Pond that will serve the Harpool Regional Water Treatment Plant as a secondary raw water storage source.

- FY 2025 Budget: \$700,000
- Funding Source: Variable Rate Financing

Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 – Due to increasing population growth and treated water demand from the City of Celina, the Artesia Community, and other customers around this area, funding is provided to continue with design / engineering activities, purchasing rights-of-way / easements, and construction for the future 36" diameter water transmission pipeline extending northeast from the Harpool Water Treatment Plant to a future secondary point of delivery in this area.

- FY 2025 Budget: \$20,183,065
- Funding Sources: Variable Rate Financing, TWDB Board Participation Funds

Harpool RWTP Northeast Transmission Pipeline, Phase 3 – Funding provided to complete an alignment study, continue preliminary design, and begin construction of the next phase of treated water pipelines generally to connect Aubrey and other members / customers.

- FY 2025 Budget: \$9,400,000
- Funding Sources: Variable Rate Financing, TWDB Board Participation Funds

RTWS Southwest Transmission Pipelines, Phase 4 – Funding provided to continue design and engineering for the future construction of a phased treated water transmission pipeline extending west from the Southwest Pump Station to serve Town of Northlake, Argyle Water Supply Corporation, Town of Flower Mound, City of Justin and other customers.

- FY 2025 Budget: \$100,000
- Funding Source: Variable Rate Financing

Celina 2nd Point of Delivery – Funding provided for design / engineering to construct a second point of delivery with metering facilities to provide additional treated water to the City of Celina.

- FY 2025 Budget: \$668,750
- Funding Source: Contribution Sources

Operations Remote Communications Improvement Project – Funding provided to upgrade and improve all District remote site communication equipment including PLCs, water and wastewater metering sites, and points of entry and delivery. Upon completion, each District system will reimburse for their share of project costs.

- FY 2025 Budget: \$1,023,500
- Funding Source: Non-Bond Capital Reserve Funds

RTWS System Hydraulic Modeling – Funding provided for Regional Treated Water System hydraulic model update, system evaluation, and future planning analysis.

- FY 2025 Budget: \$350,000
- Funding Source: Non-Bond Capital Reserve Funds

RTWS Alignment Study – Provides funding for District efforts to coordinate and plan for future Regional Treated Water System pipeline extensions. Study will determine the preferred pipeline alignment and other improvements necessary to extend the RTWS towards the Town of Ponder, City of Krum and City of Sanger.

- FY 2025 Budget: \$350,000
- Funding Source: Non-Bond Capital Reserve Funds

GTUA Regional Water Utility Study – The District is participating in a joint study being conducted by Greater Texoma Utility Authority, along with North Texas Municipal Water District, to evaluate the current and future water demands (including available water supply) of the cities, towns and utilities being served by these regional agencies in Grayson, Cooke, Denton, and Collin counties to determine the feasibility of implementing a new treated water system to serve these areas.

- FY 2025 Budget: \$180,000
- Funding Source: Future Water Program Funds

802 Kealy Annex Building Improvements, Phase 2 – Design, permitting, and construction of second phase remodel of 802 Annex building (approximately 2,000 sq ft), which includes a new clear-story section of the roof and removing the existing clear story roof, new design and construction of training center in the existing open space, removal of existing overhead door and replace with storefront door system, awning, and new exterior siding material for north side of building. All systems / funds to reimburse for their allocated ownership share of project costs.

- FY 2025 Budget: \$1,607,930
- Funding Source: Non-Bond Capital Reserve Funds

Temple Dane Pump Station Improvements – Funding provides for the District's participation in a joint project with Mustang SUD to construct a two million gallon ground storage tank, with associated improvements, at the jointly owned Temple Dane Pump Station.

- FY 2025 Budget: \$1,300,000
- Funding Source: Non-Bond Capital Reserve Funds

Roadway Improvements Coordination Adjustments – District staff will also be continuing their coordination with other public entities to identify conflicts between proposed roadway improvements and District facilities.

- FY 2025 Budget: \$10,000
- Funding Source: Non-Bond Capital Reserve Funds

Lewisville Lake / USACE Dam Coordination – To allow District staff to coordinate with the U.S. Corps of Engineers' utility relocation regarding the District's water pipelines located in the vicinity of the Lewisville Lake Dam.

- FY 2025 Budget: \$5,000
- Funding Source: Non-Bond Capital Reserve Funds

U.S. Hwy 377 / TxDOT Appurtenances and Adjustments Project – To complete appurtenances adjustments for the Southwest Pipeline as a result of TxDOT’s widening project along U.S. Hwy 377 from FM 1171 to Country Club Road in Flower Mound, Texas.

- FY 2025 Budget: \$50,000
- Funding Sources: Non-Bond Capital Reserve Funds, TxDOT reimbursement

Relocation / TxDOT U.S. Hwy 380 Project (Denton County) – Funding is provided for the District to continue coordination with TxDOT regarding the possible relocation of District water pipelines in conjunction with their U.S. Highway 380 roadway project. This project extends from Collin and Denton Counties to the City of Irving, Texas.

- FY 2025 Budget: \$25,000
- Funding Sources: Non-Bond Capital Reserve Funds, TxDOT reimbursement

TxDOT / IH-35 Project – Funding provided for easement acquisition, engineering services, and construction for TxDOT’s IH-35 widening project from Milam Road in Denton, TX north to Cowling Road in Sanger, Texas. Approximately 70% of project costs are reimbursable by TxDOT.

- FY 2025 Budget: \$3,822,500
- Funding Sources: Non-Bond Capital Reserve Funds, TxDOT reimbursement

TxDOT / IH-35W and FM 407 Project – Funding provides for coordination and pipeline modifications due to Texas Department of Transportation's widening projects along IH-35 and FM 407. 40% of project costs are anticipated to be reimbursable by the Texas Department of Transportation.

- FY 2025 Budget: \$118,355
- Funding Sources: Non-Bond Capital Reserve Funds, TxDOT reimbursement

Relocation / TxDOT FM 2931 Project – Funding provides for coordination and if necessary, pipeline modifications / relocation, due to the Texas Department of Transportation's widening projects along FM 2931.

- FY 2025 Budget: \$380,000
- Funding Source: Non-Bond Capital Reserve Funds

Relocation / TxDOT FM 1385 Project – Funding provides for coordination and if necessary, pipeline modifications / relocation, due to the Texas Department of Transportation's widening projects along FM 1385.

- FY 2025 Budget: \$350,000
- Funding Source: Non-Bond Capital Reserve Funds

Customer Pipeline Extensions – To adequately plan for new pipeline extensions for current and / or future customers of the Regional Treated Water System, the FY 2025 capital budget includes funding (reimbursable by any requesting customer / member) to offset costs for District efforts. Annual funding of \$50,000 is provided through FY 2029 to continue these activities.

- FY 2025 Budget: \$50,000
- Funding Source: Customer Reimbursement

Contingency Improvements – To allow for various projects that may be identified throughout the fiscal year, annual funding of \$100,000 is provided through FY 2029 to continue these activities.

- FY 2025 Budget: \$100,000
- Funding Sources: Non-Bond Capital Reserve Funds, Growth Program Funds

FUTURE PROJECTS

Pilot Point Pipeline and Point of Delivery – This project is to begin in FY 2027 and entails the eventual construction of a pipeline to deliver treated water to the City of Pilot Point, Texas.

Harpool Membrane Replacement Project – Replacement of submerged membranes at the Harpool Regional Water Treatment Plant as existing membranes are expected to reach the end of their useful life in FY 2028. These membranes generally need to be replaced every 10-15 years.

Pipeline from Lake Ralph Hall Terminal Storage to the Harpool RWTP – This pipeline will connect the future raw water storage facilities in the Silverado Development area to the Harpool Regional Water Treatment Plant and is anticipated to begin in FY 2027.

Harpool RWTP Northeast Transmission Pipeline, Phase 4 and 5 – Due to customer growth and requirements, two additional phases of the Northeast Transmission Pipeline are necessary to extend the existing pipeline in the northern service area. This path is still preliminary and is anticipated to begin in FY 2029.

RTWS Southwest Transmission Pipelines, Phase 5 – The Southwest Transmission Pipelines will move onto the next phase of future pipeline from the Southwest Pump Station to FM 407 beginning in FY 2029.

CONSTRUCTION CASH RESERVE

	FY 2023	FY 2024	FY 2024	FY 2025
	Actuals	Budget	Estimates	Budget
BEGINNING CASH BALANCE 10/01	\$ 76,792,622	\$ 102,966,637	\$ 159,014,302	\$ 14,908,312
Transfer to Operations		\$ (91,419,530)	\$ (144,105,990)	
BEGINNING CASH BALANCE Revised		\$ 11,547,107	\$ 14,908,312	
REVENUES				
Variable Rate Financing	52,305,000	86,300,000	108,000,000 *	97,500,000 *
Texas Water Development Board SWIFT Funds				
Deferred Interest Loan	2,717,087	-	-	-
Subsidized Interest Loan	699,250	-	-	-
Board Participation Funds	176,800,508	118,950,000	63,947,050	290,780,290
Transfers In				
CIP Projects Funding - Operations	26,396	-	-	-
Non-Bond Capital Reserve Growth Program	1,130,261	5,007,040	5,510,410	9,475,655
Future Water Program	15,250	16,070	16,070	16,630
Working Capital	-	-	20,000	180,000
Contribution Sources	-	91,419,530	144,105,990	-
TxDOT Reimbursements	-	-	296,565	-
Customer Reimbursements	-	1,634,000	2,968,515	-
Interest Revenue	57,905	336,610	148,705	1,067,520
	5,462,365	4,285,180	4,483,690	2,641,790
TOTAL REVENUES	\$ 239,214,022	\$ 307,948,430	\$ 329,496,995	\$ 401,661,885
EXPENDITURES				
Construction Improvement Projects	156,992,342	304,999,745	325,213,795 **	389,069,360
Transfers Out				
Non-Bond Capital Reserve	-	1,634,000	2,968,515	-
Operations	-	1,314,685	1,314,685	2,401,795
TOTAL EXPENDITURES	\$ 156,992,342	\$ 307,948,430	\$ 329,496,995	\$ 391,471,155
ENDING CASH BALANCE 9/30	\$ 159,014,302	\$ 11,547,107	\$ 14,908,312	\$ 25,099,042

FY 2025 Ending Balance increase of \$13,551,935 is largely due to the transfer of Board Participation escrow funds into Construction Cash for future use and lower than expected FY 2023 expenses.

* Variable Rate Financing draws exceed project financing needs in order to provide a buffer due to the timing of receipt of Board Participation funds.

** Amount also contains expenditures: \$42,425 - SCADA System Improvements - Wonderware (519Q), \$105,000 - Treated Water Optimization and Implementation Plan (516N), \$250,000 - Restore / Relocate Portion of Sanger Water Pipeline (516A), and \$381,365 - Replacement / Upsizing of Section of Phase 1A Treated Water Pipeline (517F). These projects are expected to be completed in FY 2024 and are not shown on the accompanying 5-Year list of capital improvements projects.

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Project Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
51WP	Southwest Pump Station, Phase 1 *	\$ 3,668,787	\$ 8,683,055	\$ 14,389,125	\$ 17,849,330	\$ -	\$ -	\$ -	\$ 44,590,297
51RH	Lake Ralph Hall Project *	364,315,403	259,790,480	240,317,890	84,686,700	26,940,000	6,650,000	1,513,545	984,214,018
5166	Pilot Point Pipeline and Point of Delivery *	4,929	-	-	-	125,000	-	-	129,929
519Y	RTWS General Treatment and Pumping Improvements *	21,331,811	8,711,655	5,605,180	4,000,000	1,000,000	1,000,000	-	41,648,646
514R	Thomas E. Taylor WTP Expansion, Phase 3 (from 70.0 to 85.0 MGD)	2,359,613	6,040,385	50,000,000	60,000,000	50,000,000	6,600,000	-	174,999,998
51TP	Lake Lewisville Raw Water Pump Station Improvements	228,555	173,035	2,618,940	2,479,465	-	-	-	5,499,995
51GT	RTWS Northeast Pump Station and Ground Storage Tanks	-	1,000,000	1,050,000	2,400,000	10,000,000	10,000,000	-	24,450,000
51HO	Harpool RWTP Phased Treatment Expansion, Phase 1 (from 20.0 to 30.0 MGD)	25,949,244	19,000,000	3,517,000	2,841,945	-	-	-	51,308,189
512H	Harpool RWTP Phased Treatment Expansion, Phase 2 (from 30.0 to 60.0 MGD)	202,874	3,000,000	30,797,125	50,000,000	60,000,000	40,000,000	18,500,000	202,499,999
513M	Harpool Membrane Replacement Project	-	-	-	-	-	4,000,000	6,000,000	10,000,000
51HR	Lake Ralph Hall Terminal Storage	669,598	43,275	700,000	-	-	-	-	1,412,873
51HP	Pipeline from Lake Ralph Hall Terminal Storage to the Harpool RWTP	1,603,423	-	-	-	1,600,000	6,470,790	10,000,000	19,674,213
514N	Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2 *	1,395,620	9,000,000	20,183,065	8,241,315	-	-	-	38,820,000
515N	Harpool RWTP Northeast Transmission Pipeline, Phase 3 *	316,351	3,600,000	9,400,000	25,000,000	12,783,750	-	-	51,100,101
TBD	Harpool RWTP Northeast Transmission Pipeline, Phase 4	-	-	-	-	-	-	50,000	50,000
51NS	Harpool RWTP Northeast Transmission Pipeline, Phase 5	-	-	-	-	-	-	50,000	50,000
51PG	RTWS Southwest Transmission Pipelines, Phase 4	-	95,360	100,000	4,676,610	4,681,075	10,400,000	10,000,000	29,953,045
TBD	RTWS Southwest Transmission Pipelines, Phase 5	-	-	-	-	-	-	50,000	50,000
51C2	Celina 2nd Point of Delivery	57,905	98,705	668,750	677,680	500,000	-	-	2,003,040
519C	Operations Remote Communications Improvement Project	-	100,000	1,023,500	-	-	-	-	1,123,500
515B	RTWS System Hydraulic Modeling	-	50,000	350,000	-	-	-	-	400,000
515C	RTWS Alignment Study	-	150,000	350,000	-	-	-	-	500,000
515D	Greater Texoma Utility Authority Regional Water Utility Study	-	20,000	180,000	100,000	-	-	-	300,000
51W4	802 Kealy Annex Building Improvements, Phase 2	4,129	1,500,000	1,607,930	-	-	-	-	3,112,059

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Project Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
512T	Temple Dane Pump Station Improvements	-	-	1,300,000	1,250,000	-	-	-	2,550,000
513W	Roadway Improvements Coordination Adjustments *	88,041	2,500	10,000	10,000	10,000	10,000	10,000	140,541
51W3	Lewisville Lake / USACE Dam Coordination	5,539	7,500	5,000	5,000	5,000	-	-	28,039
51T7	U.S. Hwy 377 / TxDOT Appurtenances and Adjustments Project	101,060	20,000	50,000	50,000	-	-	-	221,060
51T8	Relocation / TxDOT U.S. Hwy 380 Project (DENTON COUNTY)	42,429	300,000	25,000	25,000	-	-	-	392,429
51TN	TxDOT / IH-35 Project	1,387,053	2,729,055	3,822,500	2,000,000	-	-	-	9,938,608
51TA	TxDOT / IH-35W and FM 407 Project	31,645	50,000	118,355	-	-	-	-	200,000
51TB	Relocation / TxDOT FM 2931 Project	-	20,000	380,000	-	-	-	-	400,000
51TG	Relocation / TxDOT FM 1385 Project	-	100,000	350,000	-	-	-	-	450,000
5138	Customer Pipeline Extensions	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
51WI	Contingency Improvements *	-	100,000	100,000	100,000	100,000	100,000	100,000	600,000
	Total	\$ 423,764,009	\$ 324,435,005	\$ 389,069,360	\$ 266,443,045	\$ 167,794,825	\$ 85,280,790	\$ 46,323,545	\$ 1,703,110,579

Funding Sources:

Variable Rate Financing	\$ 122,554,349	\$ 88,809,182	\$ 76,342,995	\$ 65,971,335	\$ 43,197,565	\$ 42,873,100	\$ 25,337,875	\$ 465,086,401
Variable Rate Financing (Reimb)	-	-	(348,770)	(348,770)	(348,770)	(348,770)	(348,770)	(1,743,850)
Revenue Bonds	24,185	-	-	-	-	-	-	24,185
Texas Water Development Board Funds								
Lake Ralph Hall (Present)	298,734,247	215,245,753	-	-	-	-	-	513,980,000
Lake Ralph Hall (Anticipated)	-	-	217,078,030	84,014,810	18,507,260	200,000	85,670	319,885,770
Thomas E. Taylor WTP Expansion (514R)	-	4,832,310	35,500,000	48,000,000	45,500,000	6,167,690	-	140,000,000
Harpool RWTP Northeast Transmission Pipeline (514N) (515N)	618,480	10,250,000	22,657,300	24,309,220	12,065,000	-	-	69,900,000
Harpool WTP Expansion, Phase 2 (512H)	-	-	27,100,000	39,880,000	47,860,000	31,880,000	14,740,000	161,460,000
Non-Bond Capital Reserve Funds	1,656,026	5,112,985	9,475,655	3,423,370	98,370	93,370	93,370	19,953,146
Non-Bond Capital Reserve Reimbursement	(120,665)	(3,224,100)	(2,830,750)	(1,475,000)	-	-	-	(7,650,515)
Contribution Sources								
RTWS General Treatment and Pumping Improvements (519Y)	-	-	348,770	348,770	348,770	348,770	348,770	1,743,850
Celina 2nd Point of Delivery (51C2)	57,905	98,705	668,750	677,680	500,000	-	-	2,003,040
Customer Reimbursement (5138)	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Capital Replacement Reserve Funds	-	-	-	-	-	4,000,000	6,000,000	10,000,000
Donated Assets	11,230	-	-	-	-	-	-	11,230
Operating Funds	107,587	-	-	-	-	-	-	107,587
Growth Program Funds	-	16,070	16,630	16,630	16,630	16,630	16,630	99,220
Future Water Program Funds	-	20,000	180,000	100,000	-	-	-	300,000
TxDOT Reimbursements	120,665	3,224,100	2,830,750	1,475,000	-	-	-	7,650,515
Total	\$ 423,764,009	\$ 324,435,005	\$ 389,069,360	\$ 266,443,045	\$ 167,794,825	\$ 85,280,790	\$ 46,323,545	\$ 1,703,110,579

* - Multiple Funding Sources

Project Title								Department					
Southwest Pump Station, Phase 1								51WP					
Description				Operating Budget Impact									
Funding provides for continued design / engineering and construction of ground storage tanks and a pump station, including a screening wall and fencing.				2025		2026		2027		2028		2029	
				Personnel Services	\$ -	\$ -	\$ 8,580	\$ 13,890	\$ 14,585				
				Admin. / Office Expenses	-	-	-	-	-				
				Professional Services	-	-	-	-	-				
				Operating and Maintenance	-	-	65,800	86,750	91,090				
				Debt Service	1,246,840	1,658,495	1,869,005	2,388,045	2,675,420				
				Furniture and Equipment	-	-	-	-	-				
Maintenance / OH Allocation	-	-	5,205	7,045	7,395								
Total				\$ 1,246,840	\$ 1,658,495	\$ 1,948,590	\$ 2,495,730	\$ 2,788,490					
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Design/Engineering	\$ 2,502,050	\$ 750,000	\$ 300,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 3,602,050					
Land/Right of Way	427,635	-	-	-	-	-	-	427,635					
Construction	440,000	7,365,005	13,147,780	16,631,615	-	-	-	37,584,400					
Admin/Inspection	299,102	568,050	941,345	1,167,715	-	-	-	2,976,212					
Legal													
Furniture/Equipment													
Total Costs	\$ 3,668,787	\$ 8,683,055	\$ 14,389,125	\$ 17,849,330	\$ -	\$ -	\$ -	\$ 44,590,297					
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Variable Rate Financing	\$ 3,649,531	\$ 8,683,055	\$ 14,389,125	\$ 17,849,330	\$ -	\$ -	\$ -	\$ 44,571,041					
Revenue Bonds	19,256	-	-	-	-	-	-	19,256					
Non-Bond Capital Rsrv Funds													
TWDB Funds													
Contribution Sources													
Total Sources	\$ 3,668,787	\$ 8,683,055	\$ 14,389,125	\$ 17,849,330	\$ -	\$ -	\$ -	\$ 44,590,297					
Project Schedule	Project Start Date	Project Completion Date	Site Information										
Design/Engineering	Mar-13	2026	Town of Northlake and Argyle Water Supply Corporation (Denton County, Texas)										
Land/Right of Way	Apr-13	Aug-22											
Construction	Dec-22	2026											
Admin/Inspection	Mar-03	2026											
Legal													
Furniture/Equipment													
Total Project		2026											



Project Title								Department							
Lake Ralph Hall Project								51RH							
Description Funding provides for continued design / engineering and construction of various components of the proposed Lake Ralph Hall, including dams, roadways, raw water pump station, raw water pipeline, mitigation, cultural resources, and support facilities.				Operating Budget Impact											
				2025		2026		2027		2028		2029			
				Personnel Services		\$ -		\$ 490,000		\$ 1,080,000		\$ 1,280,000		\$ 1,380,000	
				Admin. / Office Expenses		-		12,000		20,000		42,800		44,940	
				Professional Services		-		50,000		150,000		150,000		150,000	
				Operating and Maintenance		-		278,320		868,365		1,053,615		1,251,310	
				Debt Service		11,107,245		13,085,505		15,779,970		19,875,475		24,455,010	
				Furniture and Equipment		-		-		-		-		-	
				Maintenance / OH Allocation		-		58,120		148,285		176,850		197,840	
				Total		\$ 11,107,245		\$ 13,973,945		\$ 18,046,620		\$ 22,578,740		\$ 27,479,100	
Project Costs		Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total						
				2025	2026	2027	2028	2029 to Completion							
Total Costs		\$364,315,403	\$259,790,480	\$240,317,890	\$ 84,686,700	\$ 26,940,000	\$ 6,650,000	\$ 3,531,605	\$ 986,232,078						
Source of Funds		Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total						
				2025	2026	2027	2028	2029 to Completion							
Variable Rate Financing		\$ 65,466,209	\$ 44,544,727	\$ 23,239,860	\$ 671,890	\$ 8,432,740	\$ 6,450,000	\$ 3,331,705	\$ 152,137,131						
TWDB Funds - Present		298,734,247	215,245,753	-	-	-	-	-	513,980,000						
TWDB Funds - Anticipated		-	-	217,078,030	84,014,810	18,507,260	200,000	199,900	320,000,000						
Operating Funds		103,717	-	-	-	-	-	-	103,717						
Donated Assets		11,230	-	-	-	-	-	-	11,230						
Total Sources		\$364,315,403	\$259,790,480	\$240,317,890	\$ 84,686,700	\$ 26,940,000	\$ 6,650,000	\$ 3,531,605	\$ 986,232,078						
Project Schedule		Project Start Date	Project Completion Date	Site Information											
Design/Engineering		Jul-03	2027	Ladonia, TX											
Land/Right of Way		Dec-08	2025												
Construction		Jul-20	2031												
Admin/Inspection		May-03	2031												
Legal		May-12	Jun-17												
Furniture/Equipment															
Total Project			2031												



Project Title								Department				
RTWS General Treatment and Pumping Improvements								519Y				
Description				Operating Budget Impact								
Continue with engineering, design, and construction of multi-year projects to upgrade and improve components of the Regional Treated Water System. Improvements include treatment process replacement / optimization, modifying or installing new / additional pumps, and electrical component upgrades at the Taylor Regional Water Treatment Plant (RWTP), Stone Hill Pump Station, and related conveyance system. This project also includes the construction of a second point of delivery and metering station to be reimbursed by Providence Village.						2025	2026	2027	2028	2029		
				Personnel Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				Admin. / Office Expenses		-	-	-	-	-	-	-
				Professional Services		-	-	-	-	-	-	-
				Operating and Maintenance		-	-	-	-	-	-	-
				Debt Service		1,917,010	1,990,805	2,187,675	2,370,120	2,450,620		
				Furniture and Equipment		-	-	-	-	-	-	-
Maintenance / OH Allocation		-	-	-	-	-	-	-				
Total		\$ 1,917,010	\$ 1,990,805	\$ 2,187,675	\$ 2,370,120	\$ 2,450,620						
Project Costs		Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures				2029 to Completion	Project Total			
Design/Engineering	\$ 1,812,746	\$ 200,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 2,212,746			
Land/Right of Way												
Construction	18,099,259	7,941,735	5,188,485	3,688,320	884,580	884,580		-	36,686,959			
Admin/Inspection	1,419,806	569,920	366,695	261,680	65,420	65,420		-	2,748,941			
Legal												
Furniture/Equipment												
Total Costs		\$ 21,331,811	\$ 8,711,655	\$ 5,605,180	\$ 4,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 41,648,646			
Source of Funds		Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations				2029 to Completion	Project Total			
Variable Rate Financing	\$ 21,331,811	\$ 8,711,655	\$ 5,605,180	\$ 4,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 41,648,646			
Variable Rate Financing (Reimb)	-	-	(348,770)	(348,770)	(348,770)	(348,770)	(348,770)	(348,770)	(1,743,850)			
Revenue Bonds												
Non-Bond Capital Rsrv Funds												
TWDB Funds												
Contrib. Source - Providence Village	-	-	348,770	348,770	348,770	348,770	348,770	348,770	1,743,850			
Total Sources		\$ 21,331,811	\$ 8,711,655	\$ 5,605,180	\$ 4,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 41,648,646			
Project Schedule		Project Start Date	Project Completion Date	Site Information								
Design/Engineering	Sep-20	2028	Various areas in the District's Regional Treated Water System									
Land/Right of Way												
Construction	Dec-20	2028										
Admin/Inspection	Sep-20	2028										
Legal												
Furniture/Equipment												
Total Project				2028								



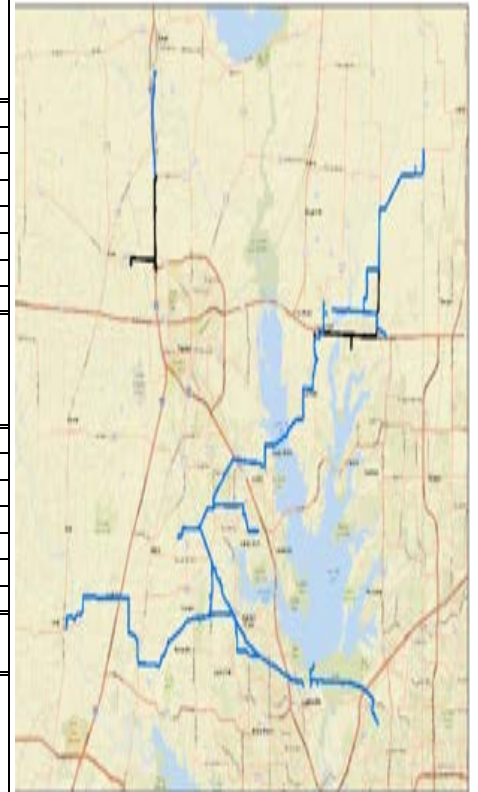
Project Title							Department		
Thomas E. Taylor WTP Expansion, Phase 3 (from 70.0 to 85.0 MGD)							514R		
Description				Operating Budget Impact					
Funding provides for continued design / engineering and construction of improvements to filters basins, settled water bypass, pumps, electrical, Lewisville Lake Intake Pump Station Improvements, Raw Water Pipeline and Meter Vault, Flocculation and Sedimentation Basins, Backwash Supply Tank Fill Pump Station, Backwash Recovery Basin and Recycle Pump Station, Onsite Sodium Hypochlorite Generation, Sodium Hydroxide and Liquid Ammonium Sulfate, Ozone System Expansion, Replacement and Ozone Injection Improvements, and Electrical Service Upgrades with Backup Generators.					2025	2026	2027	2028	2029
				Personnel Services	\$ -	\$ -	\$ -	\$ 86,680	\$ 165,600
				Admin. / Office Expenses	-	-	-	-	-
				Professional Services	-	-	-	-	-
				Operating and Maintenance	-	-	-	254,490	298,660
				Debt Service	840,585	1,050,570	1,487,990	2,127,540	3,003,305
Furniture and Equipment	-	-	-	-	-				
Maintenance / OH Allocation	-	-	-	23,880	32,500				
Total	\$ 840,585	\$ 1,050,570	\$ 1,487,990	\$ 2,492,590	\$ 3,500,065				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 2,213,230	\$ 1,925,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 100,000	\$ -	\$ 11,738,230	
Land/Right of Way									
Construction	12,951	3,720,220	44,228,970	53,574,765	44,228,970	6,068,225	-	151,834,101	
Admin/Inspection	114,720	395,165	3,271,030	3,925,235	3,271,030	431,775	-	11,408,955	
Legal	18,712	-	-	-	-	-	-	18,712	
Furniture/Equipment									
Total Costs	\$ 2,359,613	\$ 6,040,385	\$ 50,000,000	\$ 60,000,000	\$ 50,000,000	\$ 6,600,000	\$ -	\$ 174,999,998	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 2,359,613	\$ 1,208,075	\$ 14,500,000	\$ 12,000,000	\$ 4,500,000	\$ 432,310	\$ -	\$ 34,999,998	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Board Part. Funds	-	4,832,310	35,500,000	48,000,000	45,500,000	6,167,690	-	140,000,000	
Contribution Sources									
Total Sources	\$ 2,359,613	\$ 6,040,385	\$ 50,000,000	\$ 60,000,000	\$ 50,000,000	\$ 6,600,000	\$ -	\$ 174,999,998	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Jun-23	2028	300 E. Valley Ridge Blvd Lewisville, TX						
Land/Right of Way									
Construction	Sep-23	2028							
Admin/Inspection	Jan-23	2028							
Legal	Jun-23	Aug-23							
Furniture/Equipment									
Total Project		2028							



Project Title							Department		
Lake Lewisville Raw Water Pump Station Improvements							51TP		
Description				Operating Budget Impact					
Continue design / engineering and begin construction of a multi-year project that upgrades / updates electrical, pumping, and other critical components of the Lake Lewisville raw water intake pump station.									
				2025	2026	2027	2028	2029	
				Personnel Services	\$ -	\$ -	\$ (35,855)	\$ (84,150)	\$ (84,150)
				Admin. / Office Expenses	-	-	-	-	-
				Professional Services	-	-	-	-	-
				Operating and Maintenance	-	-	(55,865)	(68,500)	(68,500)
				Debt Service	137,955	185,860	207,995	290,080	330,000
				Furniture and Equipment	-	-	-	-	-
				Maintenance / OH Allocation	-	-	(6,420)	(10,685)	(10,685)
				Total	\$ 137,955	\$ 185,860	\$ 109,855	\$ 126,745	\$ 166,665
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 206,129	\$ 161,715	\$ 140,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 557,844	
Land/Right of Way									
Construction	-	-	2,307,605	2,267,260	-	-	-	4,574,865	
Admin/Inspection	22,426	11,320	171,335	162,205	-	-	-	367,286	
Legal									
Furniture/Equipment									
Total Costs	\$ 228,555	\$ 173,035	\$ 2,618,940	\$ 2,479,465	\$ -	\$ -	\$ -	\$ 5,499,995	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 228,555	\$ 173,035	\$ 2,618,940	\$ 2,479,465	\$ -	\$ -	\$ -	\$ 5,499,995	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Funds									
Contribution Sources									
Total Sources	\$ 228,555	\$ 173,035	\$ 2,618,940	\$ 2,479,465	\$ -	\$ -	\$ -	\$ 5,499,995	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	May-22	2026	1500 N. Mill St Lewisville, TX 75057						
Land/Right of Way									
Construction	2025	2026							
Admin/Inspection	Jan-22	2026							
Legal									
Furniture/Equipment									
Total Project		2026							



Project Title								Department							
RTWS Northeast Pump Station and Ground Storage Tanks								51GT							
Description				Operating Budget Impact											
Continue to purchase rights-of-way / easements and begin design and engineering for the construction of new storage tanks for the Regional Treated Water System, northeast of Lewisville Lake, to provide increased pressure and improved distribution of treated water for customers / members in the northeast service area.				2025		2026		2027		2028		2029			
				Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				Admin. / Office Expenses	-	-	-	-	-	-	-	-	-	-	-
				Professional Services	-	-	-	-	-	-	-	-	-	-	-
				Operating and Maintenance	-	-	-	-	-	-	-	-	-	-	-
				Debt Service	91,225	157,190	450,815	784,360	984,000						
				Furniture and Equipment	-	-	-	-	-	-	-	-	-	-	-
Maintenance / OH Allocation	-	-	-	-	-	-	-	-	-	-	-	-			
Total				\$ 91,225	\$ 157,190	\$ 450,815	\$ 784,360	\$ 984,000							
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					2029 to Completion	Project Total						
			2025	2026	2027	2028									
Design/Engineering	\$ -	\$ -	\$ 681,250	\$ 1,500,000	\$ 250,000	\$ 150,000	\$ -	\$ 2,581,250							
Land/Right of Way	-	915,000	285,000	-	-	-	-	1,200,000							
Construction	-	-	-	718,000	8,998,500	9,098,500	-	18,815,000							
Admin/Inspection	-	75,000	78,750	180,000	750,000	750,000	-	1,833,750							
Legal	-	10,000	5,000	2,000	1,500	1,500	-	20,000							
Furniture/Equipment															
Total Costs	\$ -	\$ 1,000,000	\$ 1,050,000	\$ 2,400,000	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 24,450,000							
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					2029 to Completion	Project Total						
			2025	2026	2027	2028									
Variable Rate Financing	\$ -	\$ 1,000,000	\$ 1,050,000	\$ 2,400,000	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 24,450,000							
Revenue Bonds															
Non-Bond Capital Rsrv Funds															
TWDB Funds															
Contribution Sources															
Total Sources	\$ -	\$ 1,000,000	\$ 1,050,000	\$ 2,400,000	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 24,450,000							
Project Schedule	Project Start Date	Project Completion Date	Site Information												
Design/Engineering	2025	2028	Generally north of Fishtrap Road and east of Navo Road Aubrey, TX												
Land/Right of Way	Sep-24	2025													
Construction	2026	2028													
Admin/Inspection	Sep-24	2028													
Legal	Sep-24	2028													
Furniture/Equipment															
Total Project		2028													



Project Title							Department		
Harpool RWTP Phased Treatment Expansion, Phase 1 (from 20.0 to 30.0 MGD)							51HO		
Description				Operating Budget Impact					
Funding provides for a phased expansion of the Harpool RTWP, including expanded administration and maintenance facilities, increased raw water handling and water treatment capability (filter membranes and diurnal pond).									
				2025	2026	2027	2028	2029	
				Personnel Services	\$ 35,000	\$ 36,750	\$ 38,590	\$ 40,520	\$ 42,545
				Admin. / Office Expenses	-	8,500	8,925	9,370	9,840
				Professional Services	-	25,000	26,250	27,565	28,945
				Operating and Maintenance	65,000	100,000	105,000	110,250	115,765
				Debt Service	2,558,960	2,637,615	2,930,355	3,032,735	3,078,490
				Furniture and Equipment	-	-	-	-	-
				Maintenance / OH Allocation	7,000	11,920	12,515	13,140	13,795
				Total	\$ 2,665,960	\$ 2,819,785	\$ 3,121,635	\$ 3,233,580	\$ 3,289,380
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 2,385,684	\$ 1,800,000	\$ 500,000	\$ 340,000	\$ -	\$ -	\$ -	\$ 5,025,684	
Land/Right of Way									
Construction	22,001,487	15,957,010	2,786,915	2,316,020	-	-	-	43,061,432	
Admin/Inspection	1,511,234	1,241,490	230,085	185,925	-	-	-	3,168,734	
Legal	5,733	-	-	-	-	-	-	5,733	
Furniture/Equipment	45,106	1,500	-	-	-	-	-	46,606	
Total Costs	\$ 25,949,244	\$ 19,000,000	\$ 3,517,000	\$ 2,841,945	\$ -	\$ -	\$ -	\$ 51,308,189	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 25,949,244	\$ 19,000,000	\$ 3,517,000	\$ 2,841,945	\$ -	\$ -	\$ -	\$ 51,308,189	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Funds									
Contribution Sources									
Total Sources	\$ 25,949,244	\$ 19,000,000	\$ 3,517,000	\$ 2,841,945	\$ -	\$ -	\$ -	\$ 51,308,189	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Aug-18	2026	11500 Fishtrap Road Aubrey, TX						
Land/Right of Way									
Construction	Sep-19	2026							
Admin/Inspection	Sep-17	2026							
Legal	Jun-19	Nov-22							
Furniture/Equipment	Jul-23	Oct-23							
Total Project		2026							



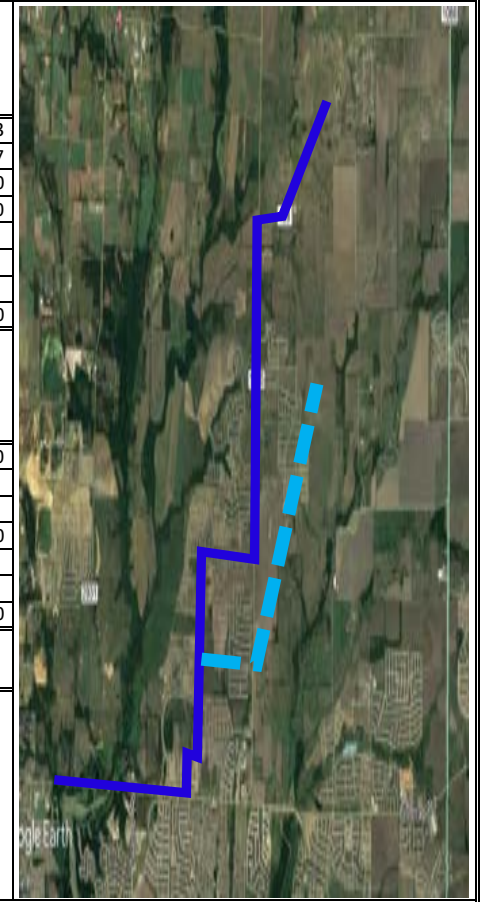
Project Title							Department		
Harpool RWTP Phased Treatment Expansion, Phase 2 (from 30.0 to 60.0 MGD)							512H		
Description					Operating Budget Impact				
Funding provided for the continued expansion of the Harpool RWTP to include site and plant piping, raw water delivery, a new membrane complex, advanced treatment, new finished water pump station, a new clearwell, recovery pond, chemical and disinfection, electrical, instrumentation and controls, as well as other necessary improvements to expand the plant to comply with TCEQ design standards.									
					2025	2026	2027	2028	2029
Personnel Services					\$ -	\$ -	\$ -	\$ 65,000	\$ 250,000
Admin. / Office Expenses					-	-	-	7,865	12,500
Professional Services					-	-	-	16,580	20,000
Operating and Maintenance					-	-	-	-	385,000
Debt Service					310,195	595,385	973,305	1,833,495	2,728,410
Furniture and Equipment					-	-	-	-	286,500
Maintenance / OH Allocation					-	-	-	6,260	66,780
Total					\$ 310,195	\$ 595,385	\$ 973,305	\$ 1,929,200	\$ 3,749,190
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 190,540	\$ 2,750,000	\$ 2,200,000	\$ 2,200,000	\$ 1,500,000	\$ 1,000,000	\$ 200,000	\$ 10,040,540	
Land/Right of Way									
Construction	-	-	26,583,125	44,528,975	54,574,765	36,383,180	17,089,720	179,159,765	
Admin/Inspection	12,334	250,000	2,014,000	3,271,025	3,925,235	2,616,820	1,210,280	13,299,694	
Legal									
Furniture/Equipment									
Total Costs	\$ 202,874	\$ 3,000,000	\$ 30,797,125	\$ 50,000,000	\$ 60,000,000	\$ 40,000,000	\$ 18,500,000	\$ 202,499,999	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 202,874	\$ 3,000,000	\$ 3,697,125	\$ 10,120,000	\$ 12,140,000	\$ 8,120,000	\$ 3,760,000	\$ 41,039,999	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Board Part. Funds	-	-	27,100,000	39,880,000	47,860,000	31,880,000	14,740,000	161,460,000	
Contribution Sources									
Total Sources	\$ 202,874	\$ 3,000,000	\$ 30,797,125	\$ 50,000,000	\$ 60,000,000	\$ 40,000,000	\$ 18,500,000	\$ 202,499,999	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	May-23	2029	Generally north of Fishtrap Road and east of Navo Road Aubrey, TX						
Land/Right of Way									
Construction	2025	2029							
Admin/Inspection	Apr-23	2029							
Legal									
Furniture/Equipment									
Total Project		2029							



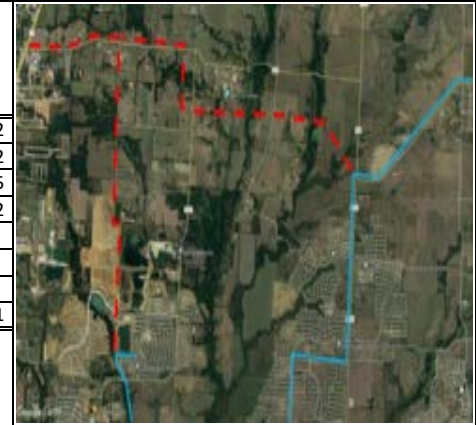
Project Title							Department						
Lake Ralph Hall Terminal Storage							51HR						
Description				Operating Budget Impact									
Funding provides for the District's participation in design / engineering for the future construction of the Lake Ralph Hall Terminal Storage Pond.									2025	2026	2027	2028	2029
				Personnel Services	\$ -	\$ 6,500	\$ 6,825	\$ 7,165	\$ 7,525				
				Admin. / Office Expenses	-	550	570	595	620				
				Professional Services	-	-	-	-	-				
				Operating and Maintenance	-	3,500	3,640	3,785	3,935				
				Debt Service	73,250	64,710	73,500	84,770	84,770				
				Furniture and Equipment	-	-	-	-	-				
Maintenance / OH Allocation	-	740	770	810	845								
Total				\$ 73,250	\$ 76,000	\$ 85,305	\$ 97,125	\$ 97,695					
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Design/Engineering	\$ 28,109	\$ 40,375	\$ 654,210	\$ -	\$ -	\$ -	\$ -	\$ 722,694					
Land/Right of Way	485,312	-	-	-	-	-	-	485,312					
Construction													
Admin/Inspection	150,312	2,900	45,790	-	-	-	-	199,002					
Legal	5,865	-	-	-	-	-	-	5,865					
Furniture/Equipment													
Total Costs	\$ 669,598	\$ 43,275	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 1,412,873					
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Variable Rate Financing	\$ 669,598	\$ 43,275	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 1,412,873					
Revenue Bonds													
Non-Bond Capital Rsrv Funds													
TWDB Funds													
Contribution Sources													
Total Sources	\$ 669,598	\$ 43,275	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 1,412,873					
Project Schedule	Project Start Date	Project Completion Date	Site Information										
Design/Engineering	Sep-20	2025	Northeast Denton County Aubrey, TX										
Land/Right of Way	Dec-09	Dec-09											
Construction													
Admin/Inspection	Dec-09	2025											
Legal	May-10	Jul-21											
Furniture/Equipment													
Total Project		2025											



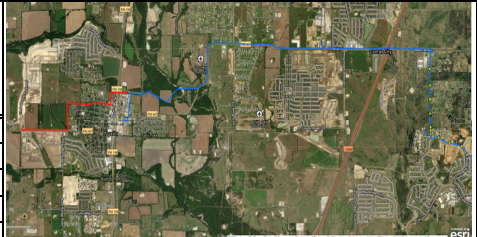
Project Title							Department		
Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2							514N		
Description				Operating Budget Impact					
Continue with design / engineering, purchasing rights-of-way / easements, and construction for the future 36-inch diameter treated water transmission pipeline extending northeast from the Harpool Water Treatment Plant to serve the Town of Celina, Artesia community, and other customers.									
				2025	2026	2027	2028	2029	
				Personnel Services	\$ -	\$ 6,585	\$ 12,500	\$ 13,125	\$ 13,780
				Admin. / Office Expenses	-	1,500	2,500	2,600	2,705
				Professional Services	-	2,500	2,625	2,755	2,895
				Operating and Maintenance	-	48,650	92,350	112,550	118,180
				Debt Service	436,030	518,685	680,680	907,190	1,146,605
				Furniture and Equipment	-	-	-	-	-
				Maintenance / OH Allocation	-	4,145	7,700	9,170	9,630
				Total	\$ 436,030	\$ 582,065	\$ 798,355	\$ 1,047,390	\$ 1,293,795
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 1,182,523	\$ 1,070,000	\$ 645,000	\$ 365,420	\$ -	\$ -	\$ -	\$ 3,262,943	
Land/Right of Way	111,497	4,000,000	-	-	-	-	-	4,111,497	
Construction	-	3,341,215	18,217,680	7,336,745	-	-	-	28,895,640	
Admin/Inspection	101,600	588,785	1,320,385	539,150	-	-	-	2,549,920	
Legal									
Furniture/Equipment									
Total Costs	\$ 1,395,620	\$ 9,000,000	\$ 20,183,065	\$ 8,241,315	\$ -	\$ -	\$ -	\$ 38,820,000	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 777,140	\$ 2,250,000	\$ 5,045,765	\$ 1,632,095	\$ -	\$ -	\$ -	\$ 9,705,000	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Board Part. Funds	618,480	6,750,000	15,137,300	6,609,220	-	-	-	29,115,000	
Contribution Sources									
Total Sources	\$ 1,395,620	\$ 9,000,000	\$ 20,183,065	\$ 8,241,315	\$ -	\$ -	\$ -	\$ 38,820,000	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Sep-20	2026	Northeast from Aubrey, TX (Navo Road) to Celina, TX						
Land/Right of Way	Jun-20	Sep-24							
Construction	Sep-24	2026							
Admin/Inspection	Sep-20	2026							
Legal									
Furniture/Equipment									
Total Project		2026							



Project Title							Department		
Harpool RWTP Northeast Transmission Pipeline, Phase 3							515N		
Description				Operating Budget Impact					
Funding provided to complete an alignment study, continue preliminary design, and begin construction of the next phase of treated water pipelines generally to connect Aubrey and other members / customers.									
				2025	2026	2027	2028	2029	
				Personnel Services	\$ -	\$ -	\$ 12,500	\$ 22,865	\$ 24,010
				Admin. / Office Expenses	-	-	2,500	3,265	3,395
				Professional Services	-	-	2,880	3,650	3,835
				Operating and Maintenance	-	-	86,650	112,550	118,180
				Debt Service	107,090	319,185	387,850	627,765	918,575
Furniture and Equipment	-	-	-	-	-				
Maintenance / OH Allocation	-	-	7,315	9,965	10,460				
Total				\$ 107,090	\$ 319,185	\$ 499,695	\$ 780,060	\$ 1,078,455	
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 289,212	\$ 2,729,485	\$ 1,490,000	\$ 75,000	\$ 117,475	\$ -	\$ -	\$ 4,701,172	
Land/Right of Way	52	635,000	1,000,000	965,000	-	-	-	2,600,052	
Construction	-	-	6,295,045	22,324,485	11,829,955	-	-	40,449,485	
Admin/Inspection	27,087	235,515	614,955	1,635,515	836,320	-	-	3,349,392	
Legal									
Furniture/Equipment									
Total Costs	\$ 316,351	\$ 3,600,000	\$ 9,400,000	\$ 25,000,000	\$ 12,783,750	\$ -	\$ -	\$ 51,100,101	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing	\$ 316,351	\$ 100,000	\$ 1,880,000	\$ 7,300,000	\$ 718,750	\$ -	\$ -	\$ 10,315,101	
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Board Part. Funds	-	3,500,000	7,520,000	17,700,000	12,065,000	-	-	40,785,000	
Contribution Sources									
Total Sources	\$ 316,351	\$ 3,600,000	\$ 9,400,000	\$ 25,000,000	\$ 12,783,750	\$ -	\$ -	\$ 51,100,101	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Sep-22	2027	Generally northwest from Fishtrap Rd to the Town of Aubrey, TX						
Land/Right of Way	May-23	2026							
Construction	2025	2027							
Admin/Inspection	Sep-22	2027							
Legal									
Furniture/Equipment									
Total Project		2027							



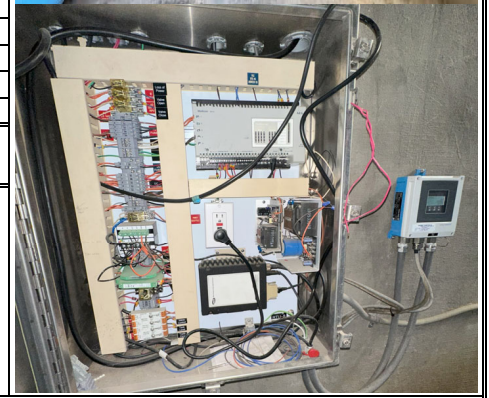
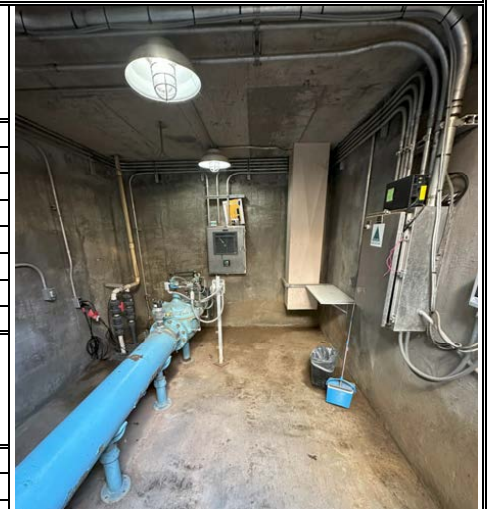
Project Title							Department						
RTWS Southwest Transmission Pipelines, Phase 4							51PG						
Description				Operating Budget Impact									
Begin design and purchase rights-of-way / easements for the future construction of a phased treated water transmission pipeline extending west from the Southwest Pump Station to serve Town of Northlake, Argyle Water Supply Corporation, Town of Flower Mound, City of Justin, and other entities.									2025	2026	2027	2028	2029
				Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -				
				Admin. / Office Expenses	-	-	-	-	-				
				Professional Services	-	-	-	-	-				
				Operating and Maintenance	-	-	-	-	-				
				Debt Service	8,695	158,205	270,255	636,280	1,064,935				
				Furniture and Equipment	-	-	-	-	-				
Maintenance / OH Allocation	-	-	-	-	-								
Total				\$ 8,695	\$ 158,205	\$ 270,255	\$ 636,280	\$ 1,064,935					
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Design/Engineering	\$ -	\$ 84,120	\$ 88,460	\$ 450,000	\$ 400,000	\$ 100,000	\$ 10,000	\$ 1,132,580					
Land/Right of Way	-	-	-	800,000	-	-	-	800,000					
Construction	-	-	-	3,115,665	3,974,835	9,619,625	9,335,795	26,045,920					
Admin/Inspection	-	6,240	6,540	305,945	306,240	680,375	654,205	1,959,545					
Legal	-	5,000	5,000	5,000	-	-	-	15,000					
Furniture/Equipment													
Total Costs	\$ -	\$ 95,360	\$ 100,000	\$ 4,676,610	\$ 4,681,075	\$ 10,400,000	\$ 10,000,000	\$ 29,953,045					
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Variable Rate Financing	\$ -	\$ 95,360	\$ 100,000	\$ 4,676,610	\$ 4,681,075	\$ 10,400,000	\$ 10,000,000	\$ 29,953,045					
Revenue Bonds													
Non-Bond Capital Rsrv Funds													
TWDB Funds													
Contribution Sources													
Total Sources	\$ -	\$ 95,360	\$ 100,000	\$ 4,676,610	\$ 4,681,075	\$ 10,400,000	\$ 10,000,000	\$ 29,953,045					
Project Schedule	Project Start Date	Project Completion Date	Site Information										
Design/Engineering	Jan-24	2029	Approximate location I-35 and FM 407										
Land/Right of Way	2026	2026											
Construction	2026	2029											
Admin/Inspection	Nov-23	2029											
Legal	Sep-24	2026											
Furniture/Equipment													
Total Project		2029											



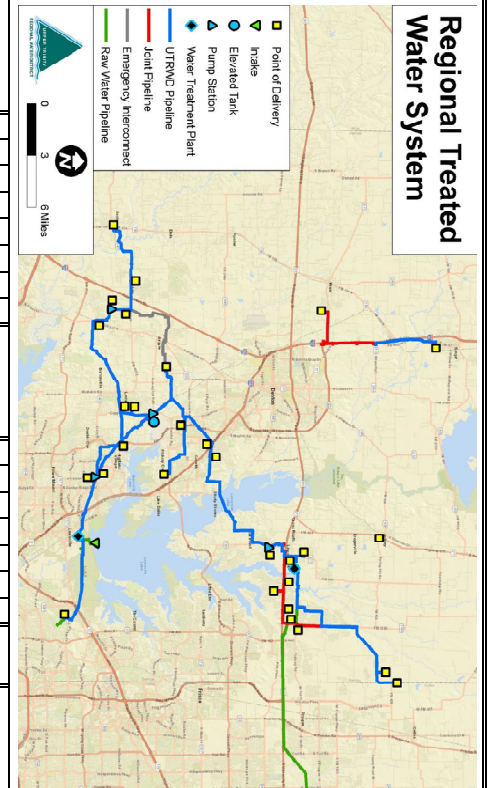
Project Title							Department		
Celina 2nd Point of Delivery							51C2		
Description Funding provided for design / engineering to construct a second point of delivery with metering facilities to provide additional treated water to the City of Celina.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 56,300	\$ 92,245	\$ 20,000	\$ 20,000	\$ 5,000	\$ -	\$ -	\$ 193,545	
Land/Right of Way									
Construction	-	-	605,000	613,345	462,290	-	-	1,680,635	
Admin/Inspection	1,605	6,460	43,750	44,335	32,710	-	-	128,860	
Legal									
Furniture/Equipment									
Total Costs	\$ 57,905	\$ 98,705	\$ 668,750	\$ 677,680	\$ 500,000	\$ -	\$ -	\$ 2,003,040	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Funds									
Contribution Sources	\$ 57,905	\$ 98,705	\$ 668,750	\$ 677,680	\$ 500,000	\$ -	\$ -	\$ 2,003,040	
Total Sources	\$ 57,905	\$ 98,705	\$ 668,750	\$ 677,680	\$ 500,000	\$ -	\$ -	\$ 2,003,040	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Jul-23	2027	Approximate location is Celina Road and FM 428 Celina, TX						
Land/Right of Way									
Construction	2025	2027							
Admin/Inspection	Sep-23	2027							
Legal									
Furniture/Equipment									
Total Project		2027							



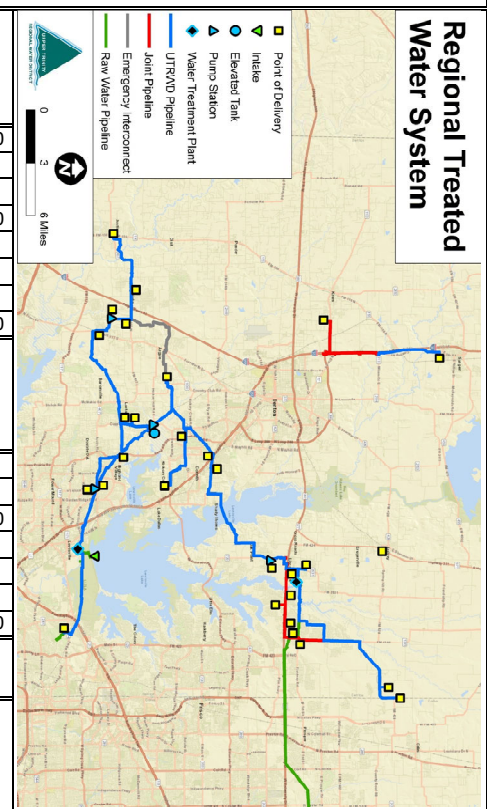
Project Title							Department		
Operations Remote Communications Improvement Project							519C		
Description Funding provided to upgrade and improve all District remote site communication equipment including PLCs, water and wastewater metering sites, and points of entry and delivery. Upon completion, each District system will reimburse for their share of project costs.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ -	\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 140,000	
Land/Right of Way Construction									
Admin/Inspection	-	6,540	66,960	-	-	-	-	73,500	
Legal									
Furniture/Equipment	-	53,460	856,540	-	-	-	-	910,000	
Total Costs	\$ -	\$ 100,000	\$ 1,023,500	\$ -	\$ -	\$ -	\$ -	\$ 1,123,500	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ -	\$ 100,000	\$ 1,023,500	\$ -	\$ -	\$ -	\$ -	\$ 1,123,500	
TWDB Funds									
Contribution Sources									
Total Sources	\$ -	\$ 100,000	\$ 1,023,500	\$ -	\$ -	\$ -	\$ -	\$ 1,123,500	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Sep-24	2025	Various locations within the District's service area.						
Land/Right of Way Construction									
Admin/Inspection	Apr-24	2025							
Legal									
Furniture/Equipment	Apr-24	2025							
Total Project		2025							



Project Title		Department						
RTWS System Hydraulic Modeling		515B						
Description		Operating Budget Impact						
Funding provided for Regional Treated Water System hydraulic model update, system evaluation, and future planning analysis.		2025	2026	2027	2028	2029		
		Personnel Services						
		Admin. / Office Expenses						
		Professional Services						
		Operating and Maintenance						
		Debt Service						
		Furniture and Equipment						
		Maintenance / OH Allocation						
		Total						
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total
			2025	2026	2027	2028	2029 to Completion	
Design/Engineering	\$ -	\$ 40,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000
Land/Right of Way								
Construction								
Admin/Inspection	-	10,000	50,000	-	-	-	-	60,000
Professional Services								
Furniture/Equipment								
Total Costs	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total
			2025	2026	2027	2028	2029 to Completion	
Variable Rate Financing								
Revenue Bonds								
Non-Bond Capital Rsrv Funds	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Contribution Sources								
TxDOT Reimbursement								
Total Sources	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Project Schedule	Project Start Date	Project Completion Date	Site Information					
Design/Engineering	Sep-24	2025	Various locations throughout the Regional Treated Water System service area.					
Land/Right of Way								
Construction								
Admin/Inspection	May-24	2025						
Professional Services								
Furniture/Equipment								
Total Project		2025						



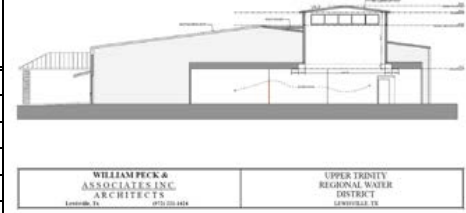
Project Title		RTWS Alignment Study						Department				
Description		Provides funding for District efforts to coordinate and plan for future Regional Treated Water System pipeline extensions. Study will determine the preferred pipeline alignment and other improvements necessary to extend the RTWS towards the Town of Ponder, City of Krum and City of Sanger.						Operating Budget Impact				
								2025	2026	2027	2028	2029
								Personnel Services Admin. / Office Expenses Professional Services Operating and Maintenance Debt Service Furniture and Equipment Maintenance / OH Allocation Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Design/Engineering	\$ -	\$ 134,000	\$ 313,500	\$ -	\$ -	\$ -	\$ -	\$ 447,500				
Land/Right of Way												
Construction												
Admin/Inspection	-	16,000	36,500	-	-	-	-	52,500				
Professional Services												
Furniture/Equipment												
Total Costs	\$ -	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000				
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Variable Rate Financing												
Revenue Bonds												
Non-Bond Capital Rsrv Funds	\$ -	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000				
Contribution Sources												
TxDOT Reimbursement												
Total Sources	\$ -	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000				
Project Schedule	Project Start Date	Project Completion Date	Site Information									
Design/Engineering	Sep-24	2025	Located in Denton County in the western part of the Regional Treated Water System service area.									
Land/Right of Way												
Construction												
Admin/Inspection	Apr-24	2025										
Professional Services												
Furniture/Equipment												
Total Project		2025										



Project Title							Department				
GTUA Regional Water Utility Study							515D				
Description The District is participating in a joint study being conducted by Greater Texoma Utility Authority, along with North Texas Municipal Water District, to evaluate the current and future water demands (including available water supply) of the cities, towns and utilities being served by these regional agencies in Grayson, Cooke, Denton, and Collin counties to determine the feasibility of implementing a new treated water system to serve these areas.							Operating Budget Impact				
							2025	2026	2027	2028	2029
							Personnel Services				
							Admin. / Office Expenses				
							Professional Services				
							Operating and Maintenance				
							Debt Service				
							Furniture and Equipment				
							Maintenance / OH Allocation				
							Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Design/Engineering	\$ -	\$ 12,000	\$ 168,000	\$ 90,000	\$ -	\$ -	\$ -	\$ 270,000			
Land/Right of Way											
Construction											
Admin/Inspection	-	8,000	12,000	10,000	-	-	-	30,000			
Professional Services											
Furniture/Equipment											
Total Costs	\$ -	\$ 20,000	\$ 180,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 300,000			
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Variable Rate Financing											
Revenue Bonds											
Non-Bond Capital Rsrv Funds											
Future Water Program Funds	\$ -	\$ 20,000	\$ 180,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 300,000			
Contribution Sources											
Total Sources	\$ -	\$ 20,000	\$ 180,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 300,000			
Project Schedule	Project Start Date	Project Completion Date	Site Information								
Design/Engineering	Sep-24	2026	Collin, Cooke, Denton, and Grayson counties								
Land/Right of Way											
Construction											
Admin/Inspection	Jun-24	2026									
Professional Services											
Furniture/Equipment											
Total Project		2026									



Project Title							Department				
802 Kealy Annex Building Improvements, Phase 2							51W4				
Description Design, permitting, and construction of second phase remodel of 802 Annex building (approximately 2,000 sq ft), which includes a new clear-story section of the roof and removing the existing clear story roof, new design and construction of training center in the existing open space, removal of existing overhead door and replace with storefront door system, awning, and new exterior siding material for north side of building. All systems / funds to reimburse for their allocated ownership share of project costs.							Operating Budget Impact				
							2025	2026	2027	2028	2029
							Personnel Services				
							Admin. / Office Expenses				
							Professional Services				
							Operating and Maintenance				
							Debt Service				
							Furniture and Equipment				
							Maintenance / OH Allocation				
							Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Design/Engineering								\$ -			
Land/Right of Way											
Construction	\$ -	\$ 1,255,265	\$ 1,444,740	\$ -	\$ -	\$ -	\$ -	\$ 2,700,005			
Admin/Inspection	129	98,130	105,190	-	-	-	-	203,449			
Professional Services	4,000	146,605	58,000	-	-	-	-	208,605			
Furniture/Equipment											
Total Costs	\$ 4,129	\$ 1,500,000	\$ 1,607,930	\$ -	\$ -	\$ -	\$ -	\$ 3,112,059			
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Variable Rate Financing											
Revenue Bonds											
Non-Bond Capital Rsrv Funds	\$ 4,129	\$ 1,500,000	\$ 1,607,930	\$ -	\$ -	\$ -	\$ -	\$ 3,112,059			
TWDB Funds											
Contribution Sources											
Total Sources	\$ 4,129	\$ 1,500,000	\$ 1,607,930	\$ -	\$ -	\$ -	\$ -	\$ 3,112,059			
Project Schedule	Project Start Date	Project Completion Date	Site Information								
Design/Engineering			802 N Kealy St Lewisville, TX								
Land/Right of Way											
Construction	May-24	2025									
Admin/Inspection	May-23	2025									
Professional Services	May-23	2025									
Furniture/Equipment											
Total Project		2025									



Project Title							Department						
Temple Dane Pump Station Improvements							512T						
Description				Operating Budget Impact									
Funding provides for the District's participation in a joint project with Mustang SUD to construct a two million gallon ground storage tank, with associated improvements, at the jointly owned Temple Dane Pump Station.				2025		2026		2027		2028		2029	
				Personnel Services									
				Admin. / Office Expenses									
				Professional Services									
				Operating and Maintenance									
				Debt Service									
				Furniture and Equipment									
				Maintenance / OH Allocation									
				Total									
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Design/Engineering													
Land/Right of Way													
Construction	\$ -	\$ -	\$ 1,280,000	\$ 1,230,000	\$ -	\$ -	\$ -	\$ 2,510,000					
Admin/Inspection	-	-	20,000	20,000	-	-	-	40,000					
Professional Services													
Furniture/Equipment													
Total Costs	\$ -	\$ -	\$ 1,300,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,550,000					
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total					
			2025	2026	2027	2028	2029 to Completion						
Variable Rate Financing													
Revenue Bonds													
Non-Bond Capital Rsrv Funds	\$ -	\$ -	\$ 1,300,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,550,000					
TWDB Funds													
Contribution Sources													
Total Sources	\$ -	\$ -	\$ 1,300,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,550,000					
Project Schedule	Project Start Date	Project Completion Date	Site Information										
Design/Engineering			Approximate location is 3805 FM 720, Aubrey, TX										
Land/Right of Way													
Construction	2025	2026											
Admin/Inspection	2025	2026											
Professional Services													
Furniture/Equipment													
Total Project		2026											



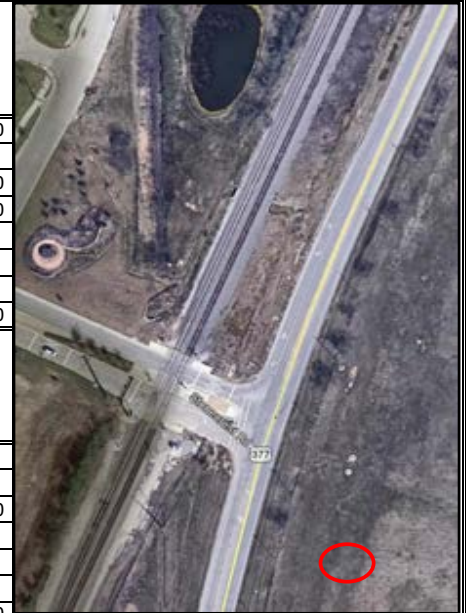
Project Title								Department	
Roadway Improvements Coordination Adjustments								513W	
Description Continue to coordinate with other public entities to identify potential conflicts between proposed roadway improvements and the District's facilities. (Does not include funding for modifications to District facilities.)					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction	\$ 1,860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,860	
Admin/Inspection	83,078	2,000	9,000	9,000	9,000	9,000	9,000	130,078	
Legal	3,103	500	1,000	1,000	1,000	1,000	1,000	8,603	
Furniture/Equipment									
Total Costs	\$ 88,041	\$ 2,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 140,541	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ 84,171	\$ 2,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 136,671	
Operating Funds	3,870	-	-	-	-	-	-	3,870	
Contribution Sources									
Total Sources	\$ 88,041	\$ 2,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 140,541	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering			Various areas in the District's service area						
Land/Right of Way									
Construction	Sep-16	Sep-16							
Admin/Inspection	Oct-10	Ongoing							
Legal	Feb-11	Ongoing							
Furniture/Equipment									
Total Project		Ongoing							



Project Title								Department	
Lewisville Lake / USACE Dam Coordination								51W3	
Description Continue coordination with the U.S. Army Corps of Engineers (USACE) on utility relocations, including engineering / design and construction activities for the District's water pipelines in the vicinity of the Lewisville Lake Dam.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction									
Admin/Inspection	\$ 5,539	\$ 7,500	5,000	5,000	5,000	-	-	\$ 28,039	
Legal									
Furniture/Equipment									
Total Costs	\$ 5,539	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 28,039	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ 5,539	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 28,039	
TWDB Funds									
Contribution Sources									
Total Sources	\$ 5,539	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 28,039	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering			Near the Lake Lewisville intake pump station and intake pipeline in Lewisville, TX						
Land/Right of Way									
Construction									
Admin/Inspection	Oct-18	2027							
Legal									
Furniture/Equipment									
Total Project		2027							



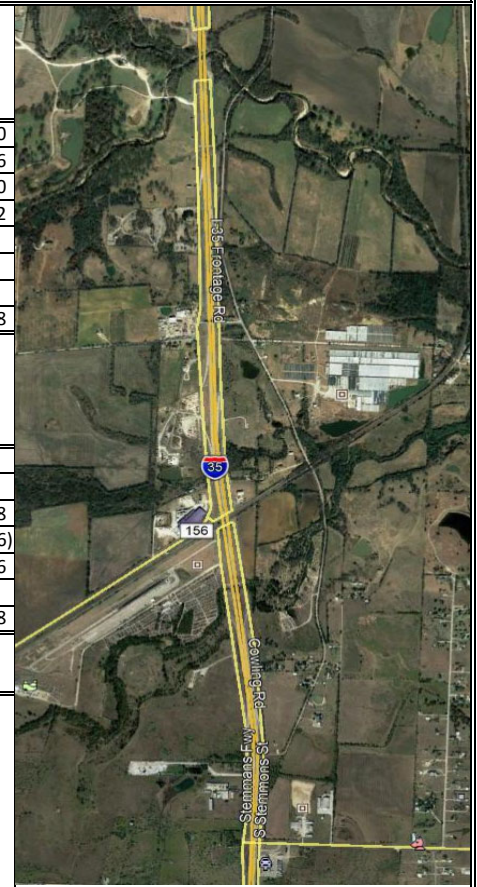
Project Title							Department		
U.S. Hwy 377 / TxDOT Appurtenances and Adjustments Project							51T7		
Description Funding provides for appurtenance adjustments for the Southwest Pipeline as a result of the Texas Department of Transportation's widening project along U.S. Hwy 377 from FM 1171 to Country Club Road. Upon project completion, the District will be reimbursed by the Texas Department of Transportation for project costs.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 59,890	\$ 7,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ -	\$ 72,890	
Land/Right of Way									
Construction	-	10,000	42,000	42,000	-	-	-	94,000	
Admin/Inspection	41,170	3,000	5,000	5,000	-	-	-	54,170	
Legal									
Furniture/Equipment									
Total Costs	\$ 101,060	\$ 20,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 221,060	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ 101,060	\$ 20,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	221,060	
TWDB Funds									
Contribution Sources									
Total Sources	\$ 101,060	\$ 20,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 221,060	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Aug-20	2026	East Side of US 377, near intersection of Stonecest and US 377 Flower Mound, Tx						
Land/Right of Way									
Construction	Sep-24	2026							
Admin/Inspection	Aug-20	2026							
Legal									
Furniture/Equipment									
Total Project		2026							



Project Title								Department	
Relocation / TxDOT U.S. Hwy 380 Project (Denton County)								51T8	
Description Funding provides for planning and coordination with the Texas Department of Transportation's US Hwy 380 project for the relocation of water pipelines due to roadway improvements. Upon project completion, the District will be reimbursed by the Texas Department of Transportation for project costs.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 23,034	\$ 67,855	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 120,889	
Land/Right of Way	53	-	-	-	-	-	-	53	
Construction	-	200,000	-	-	-	-	-	200,000	
Admin/Inspection	19,146	32,145	10,000	10,000	-	-	-	71,291	
Legal	196	-	-	-	-	-	-	196	
Furniture/Equipment									
Total Costs	\$ 42,429	\$ 300,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 392,429	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ 42,429	\$ 300,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 392,429	
Non-Bond Capital Rsrv Reimbursement	(33,427)	(309,002)	(25,000)	(25,000)	-	-	-	(392,429)	
TxDOT Reimbursement	33,427	309,002	25,000	25,000	-	-	-	392,429	
Total Sources	\$ 42,429	\$ 300,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 392,429	
Project Schedule		Project Start Date	Project Completion Date	Site Information					
Design/Engineering		Aug-19	2026	Project limits are from approximately Loop 288 to U.S. Hwy 380 Denton County, TX					
Land/Right of Way		Dec-20	Dec-20						
Construction		Sep-24	Sep-24						
Admin/Inspection		Feb-19	2026						
Legal		Aug-19	Aug-19						
Furniture/Equipment									
Total Project			2026						



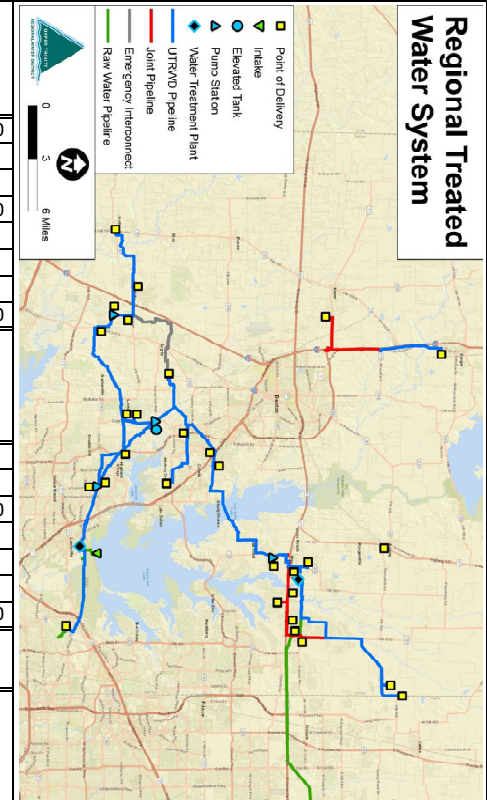
Project Title							Department						
TxDOT / IH-35 Project							51TN						
Description				Operating Budget Impact									
Funding provided for easement acquisition, engineering services, and construction for the Texas Department of Transportation's IH-35 widening project from Milam Road in Denton, TX north to Cowling Road in Sanger, TX. Approximately 70% of project costs are reimbursable by the Texas Department of Transportation.				2025		2026		2027		2028		2029	
				Personnel Services		Admin. / Office Expenses		Professional Services		Operating and Maintenance		Debt Service	
				Maintenance / OH Allocation		Total							
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					2029 to Completion	Project Total				
			2025	2026	2027	2028							
Design/Engineering	\$ 715,440	\$ 350,000	\$ 500,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 1,575,440				
Land/Right of Way	483,186	1,250,000	-	-	-	-	-	-	1,733,186				
Construction	-	950,520	3,072,430	1,859,160	-	-	-	-	5,882,110				
Admin/Inspection	188,427	178,535	250,070	130,840	-	-	-	-	747,872				
Legal													
Furniture/Equipment													
Total Costs	\$ 1,387,053	\$ 2,729,055	\$ 3,822,500	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 9,938,608				
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					2029 to Completion	Project Total				
			2025	2026	2027	2028							
Variable Rate Financing													
Revenue Bonds													
Non-Bond Capital Rsrv Funds	\$ 1,387,053	\$ 2,729,055	\$ 3,822,500	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 9,938,608				
Non-Bond Capital Rsrv Reimbursement	-	(2,881,276)	(2,675,750)	(1,400,000)	-	-	-	-	(6,957,026)				
TxDOT Reimbursement	-	2,881,276	2,675,750	1,400,000	-	-	-	-	6,957,026				
Total Sources	\$ 1,387,053	\$ 2,729,055	\$ 3,822,500	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 9,938,608				
Project Schedule		Project Start Date	Project Completion Date	Site Information									
Design/Engineering		Nov-20	2026	IH-35 (Milam Road in Denton to Cowling Road in Sanger) Denton County, TX									
Land/Right of Way		Jun-23	Sep-24										
Construction		Sep-24	2026										
Admin/Inspection		Nov-20	2026										
Legal													
Furniture/Equipment													
Total Project			2026										



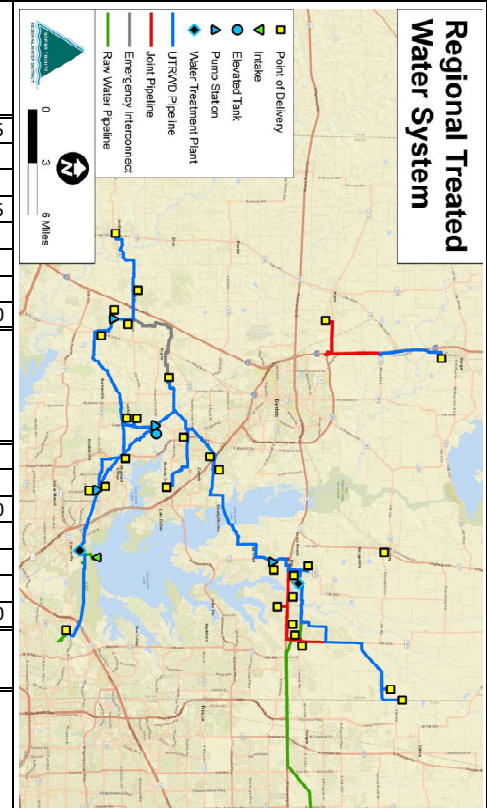
Project Title							Department						
TxDOT / IH-35W and FM 407 Project							51TA						
Description				Operating Budget Impact									
Funding provides for coordination and pipeline modifications due to Texas Department of Transportation's widening projects along IH-35 and FM 407. 40% of project costs are anticipated to be reimbursable by the Texas Department of Transportation.				2025		2026		2027		2028		2029	
				Personnel Services		Admin. / Office Expenses		Professional Services		Operating and Maintenance		Debt Service	
				Maintenance / OH Allocation		Total							
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					2029 to Completion	Project Total				
			2025	2026	2027	2028							
Design/Engineering	\$ 27,210	\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,210				
Land/Right of Way													
Construction													
Admin/Inspection	4,435	10,000	18,355	-	-	-	-	-	32,790				
Legal													
Furniture/Equipment													
Total Costs	\$ 31,645	\$ 50,000	\$ 118,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000				
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					2029 to Completion	Project Total				
			2025	2026	2027	2028							
Variable Rate Financing													
Revenue Bonds													
Non-Bond Capital Rsrv Funds	\$ 31,645	\$ 50,000	\$ 118,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000				
Non-Bond Capital Rsrv Reimbursement	-	-	(80,000)	-	-	-	-	-	(80,000)				
TxDOT Reimbursement	-	-	80,000	-	-	-	-	-	80,000				
Total Sources	\$ 31,645	\$ 50,000	\$ 118,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000				
Project Schedule	Project Start Date	Project Completion Date	Site Information										
Design/Engineering	Jun-23	2025	Approximate location I-35 and FM 407 Lewisville, TX										
Land/Right of Way													
Construction													
Admin/Inspection	Sep-23	2025											
Legal													
Furniture/Equipment													
Total Project		2025											



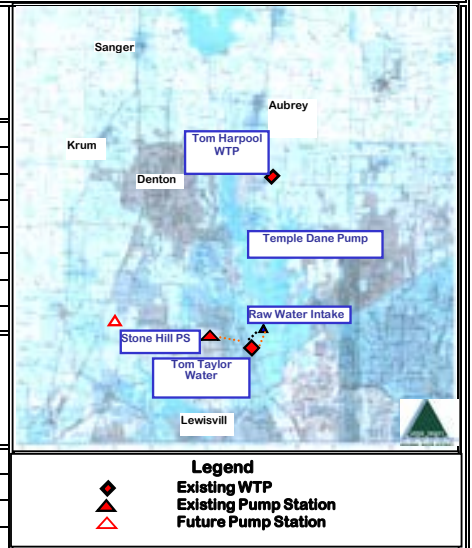
Project Title		TXDOT / Relocate FM 2931						Department				
Description		Funding provides for coordination and if necessary, pipeline modifications / relocation, due to the Texas Department of Transportation's widening projects along FM 2931.						Operating Budget Impact				
								2025	2026	2027	2028	2029
								Personnel Services Admin. / Office Expenses Professional Services Operating and Maintenance Debt Service Furniture and Equipment Maintenance / OH Allocation Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Design/Engineering	\$ -	\$ 15,000	\$ 339,300	\$ -	\$ -	\$ -	\$ -	\$ 354,300				
Land/Right of Way												
Construction												
Admin/Inspection	-	5,000	40,700	-	-	-	-	45,700				
Legal												
Furniture/Equipment												
Total Costs	\$ -	\$ 20,000	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000				
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Variable Rate Financing												
Revenue Bonds												
Non-Bond Capital Rsrv Funds	\$ -	\$ 20,000	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000				
Non-Bond Capital Rsrv Reimbursement												
TxDOT Reimbursement												
Total Sources	\$ -	\$ 20,000	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000				
Project Schedule	Project Start Date	Project Completion Date	Site Information									
Design/Engineering	Sep-24	2025	Approximate location is north and south of US 380 along FM 2931 for the extent of the TxDOT project.									
Land/Right of Way												
Construction												
Admin/Inspection	Feb-24	2025										
Legal												
Furniture/Equipment												
Total Project		2025										



Project Title		TXDOT / Relocate FM 1385						Department				
Description		Funding provides for coordination and if necessary, pipeline modifications / relocation, due to the Texas Department of Transportation's widening projects along FM 1385.						Operating Budget Impact				
								2025	2026	2027	2028	2029
								Personnel Services Admin. / Office Expenses Professional Services Operating and Maintenance Debt Service Furniture and Equipment Maintenance / OH Allocation Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Design/Engineering	\$ -	\$ 89,285	\$ 302,500	\$ -	\$ -	\$ -	\$ -	\$ 391,785				
Land/Right of Way												
Construction												
Admin/Inspection	-	10,715	47,500	-	-	-	-	58,215				
Legal												
Furniture/Equipment												
Total Costs	\$ -	\$ 100,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000				
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total				
			2025	2026	2027	2028	2029 to Completion					
Variable Rate Financing												
Revenue Bonds												
Non-Bond Capital Rsrv Funds	\$ -	\$ 100,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000				
Non-Bond Capital Rsrv Reimbursement												
TxDOT Reimbursement												
Total Sources	\$ -	\$ 100,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000				
Project Schedule	Project Start Date	Project Completion Date	Site Information									
Design/Engineering	Jun-24	2025	Approximate location is north of US 380 along FM 1385 for the extent of the TxDOT project.									
Land/Right of Way												
Construction												
Admin/Inspection	Feb-24	2025										
Legal												
Furniture/Equipment												
Total Project		2025										



Project Title Customer Pipeline Extensions							Department 5138		
Description Provides funding for District efforts to coordinate and plan for future water pipeline extensions for current and / or future customers of the Regional Treated Water System.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction/Other	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Costs	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
TWDB Funds									
Customer Reimbursements	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Total Sources	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering			Various areas in the District's service area.						
Land/Right of Way									
Construction/Other	Sep-24	Ongoing							
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Project		Ongoing							



Project Title								Department	
Contingency Improvements								51WI	
Description					Operating Budget Impact				
To allow for various projects that may be identified throughout the year.									
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction/Other	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Costs	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Variable Rate Financing									
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ -	\$ 83,930	\$ 83,370	\$ 83,370	\$ 83,370	\$ 83,370	\$ 83,370	\$ 500,780	
Growth Program Funds	-	16,070	16,630	16,630	16,630	16,630	16,630	99,220	
Contribution Sources									
Total Sources	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	
Project Schedule	Project		Site Information						
	Start Date	Completion Date							
Design/Engineering			Various areas in the District's service area.						
Land/Right of Way									
Construction	Sep-24	Ongoing							
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Project		Ongoing							



ESTIMATED ANNUAL OPERATING EXPENSE (WITH DEBT SERVICE) FROM INVESTMENTS IN CAPITAL PROJECTS

Project Acct	Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
51WP	Southwest Pump Station, Phase 1	\$ 1,246,840	\$ 1,658,495	\$ 1,948,590	\$ 2,495,730	\$ 2,788,490	\$ 10,138,145
51RH	Lake Ralph Hall Project	11,107,245	13,973,945	18,046,620	22,578,740	27,479,100	93,185,650
519Y	RTWS General Treatment and Pumping Improvements	1,917,010	1,990,805	2,187,675	2,370,120	2,450,620	10,916,230
514R	Thomas E. Taylor WTP Expansion, Phase 3 (from 70.0 to 85.0 MGD)	840,585	1,050,570	1,487,990	2,492,590	3,500,065	9,371,800
51TP	Lake Lewisville Raw Water Pump Station Improvements	137,955	185,860	109,855	126,745	166,665	727,080
51GT	RTWS Northeast Pump Station and Ground Storage Tanks	91,225	157,190	450,815	784,360	984,000	2,467,590
51HO	Harpool RWTP Phased Treatment Expansion, Phase 1 (from 20.0 to 30.0 MGD)	2,665,960	2,819,785	3,121,635	3,233,580	3,289,380	15,130,340
512H	Harpool RWTP Phased Treatment Expansion, Phase 2 (from 30.0 to 60.0 MGD)	1,516,145	1,468,005	2,162,995	3,555,200	5,375,190	14,077,535
51HR	Lake Ralph Hall Terminal Storage	73,250	76,000	85,305	97,125	97,695	429,375
514N	Harpool RWTP Northeast Transmission Pipeline, Phase 1 & 2	436,030	582,065	798,355	1,047,390	1,293,795	4,157,635
515N	Harpool RWTP Northeast Transmission Pipeline, Phase 3	107,090	319,185	499,695	780,060	1,078,455	2,784,485
51PG	RTWS Southwest Transmission Pipelines, Phase 4	8,695	158,205	270,255	636,280	1,064,935	2,138,370
Total		\$ 20,148,030	\$ 24,440,110	\$ 31,169,785	\$ 40,197,920	\$ 49,568,390	\$ 165,524,235

Methodology:

Operating expense estimates based on comparable (if any) operating assets in operation with regard to flow capability, inspection requirements, size, electricity and chemical use / requirements, etc.

Debt Service amounts are based on projected interest rates for Variable Rate Financing, Revenue Bonds, timing of Variable Rate Financing converted into long-term debt, estimated debt service amounts prepared by the District's financial advisors, and actual debt service amounts for bonds / debt already issued.

Personnel expense estimates based on additional hiring of water operators (Salary and Benefits).

Maintenance and Administration Overhead Allocation amounts are based on 7% of total operating expenses (excluding debt service).

LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM

The FY 2025 adopted capital budget for the Lakeview Regional Water Reclamation System is \$7,020,695, an increase of \$509,820 from the previous year adopted capital budget of \$6,510,875. This increase is primarily due to the timing of the Lift Station improvements project to rehabilitate various lift stations within the Lakeview service area.

FY 2025 funding consists of the following:

Funding Source	FY 2025 Budget
Non-Bond Capital Reserve Funds	\$7,020,695

CURRENT PROJECTS

Plant Expansion, Phase 3 (from 5.5 to 7.5 MGD) – Growth in the Lakeview Regional Water Reclamation Systems’ service area has steadily increased over the past 3-5 years. As wastewater flows increase to a level equal to 90% of the plant’s treatment capacity of 5.5 mgd, the District is required by the Texas Pollutant Discharge Elimination Permit to begin planning for the next expansion of the plant. Funding is provided to continue design / engineering and begin construction for the expansion of the Lakeview Regional Water Reclamation Plant treatment capacity from 5.5 to 7.5 mgd.

- FY 2025 Budget: \$2,600,690
- Funding Source: Non-Bond Capital Reserve Funds

System Interceptor and Odor Control Improvements – Due to a confluence of many entities’ pipelines and connections in the vicinity of IH-35E and Swisher Road (Corinth, Texas), the District is reconfiguring and improving its water reclamation pipeline infrastructure by replacing and upgrading fittings and appurtenances on the trunk main and connections in this area to increase ease of flow and to better control odors emanating from this infrastructure.

- FY 2025 Budget: \$370,005
- Funding Source: Non-Bond Capital Reserve Funds

Lift Station Improvements – Based on recommendations from the Lift Station Condition Assessment Study, funding is needed for design and construction of proposed improvements to lift stations in the Lakeview Regional Water Reclamation System. Non-Bond funding to be utilized and subsequently reimbursed by individual lift station users upon completion.

- FY 2025 Budget: \$4,000,000
- Funding Source: Non-Bond Capital Reserve Funds

Contingency Improvements – Finally, the FY 2025 capital budget contains annual expenditures for Contingency Improvements to allow for various projects that may be identified throughout the fiscal year. Annual funding of \$50,000 is provided through FY 2029 to continue these activities.

- FY 2025 Budget: \$50,000
- Funding Source: Non-Bond Capital Reserve Funds

FUTURE PROJECTS

Permit Renewal – Every 5 years, the District is required to renew the Texas Pollutant Discharge Elimination System Permit as required by the Texas Commission on Environmental Quality for the Lakeview Regional Water Reclamation Plant. Funding is provided to complete the renewal process.

CONSTRUCTION CASH RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 44,550	\$ 46,880	\$ 50,965	\$ 51,635
REVENUES				
Transfers In				
Non-Bond Capital Reserve	140,184	6,490,875	2,055,000	7,020,695
Plant Permitting Reserve	40,000	20,000	2,000	-
Member / Customer Reimbursements	308,489	-	-	-
Interest Income	2,767	2,815	670	1,680
TOTAL REVENUES	\$ 491,440	\$ 6,513,690	\$ 2,057,670	\$ 7,022,375
EXPENDITURES				
Construction Improvement Projects	176,536	6,510,875	2,057,000	7,020,695
Transfer Out - Non-Bond Capital Reserve (Transfer of TxDOT and Member Reimbursement)	308,489	-	-	-
TOTAL EXPENDITURES	\$ 485,025	\$ 6,510,875	\$ 2,057,000	\$ 7,020,695
ENDING CASH BALANCE 9/30	\$ 50,965	\$ 49,695	\$ 51,635	\$ 53,315

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

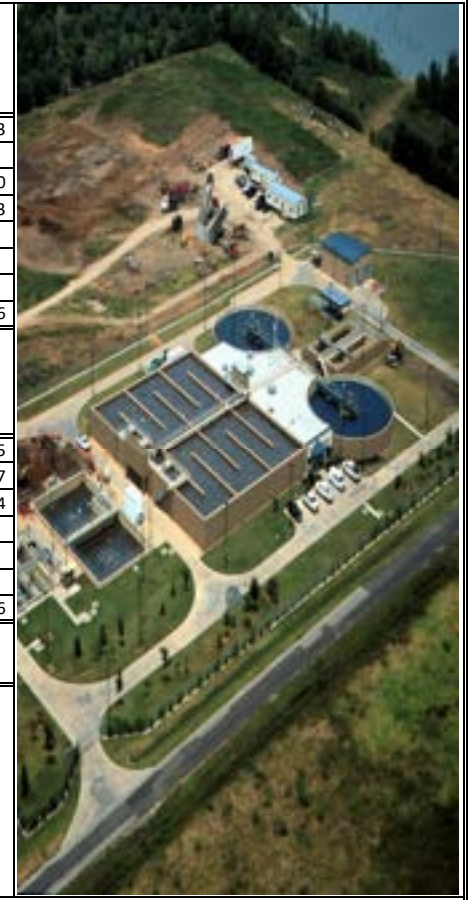
Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
51LL	Permit Renewal	\$ 36,352	\$ 2,000	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ 98,352
51L2	Plant Expansion, Phase 3 (from 5.5 to 7.5 MGD) - Includes Biosolids Improvements *	3,226,016	1,000,000	2,600,690	4,338,080	10,461,165	16,557,015	15,000,000	53,182,966
513B	System Interceptor and Odor Control Improvements *	101,029	5,000	370,005	1,912,305	-	-	-	2,388,339
5179	Lift Station Improvements	187,990	1,000,000	4,000,000	999,335	-	-	-	6,187,325
51LM	Contingency Improvements	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
	Total	\$ 3,551,387	\$ 2,057,000	\$ 7,020,695	\$ 7,299,720	\$ 10,511,165	\$ 16,647,015	\$ 15,070,000	\$ 62,156,982

Funding Sources:

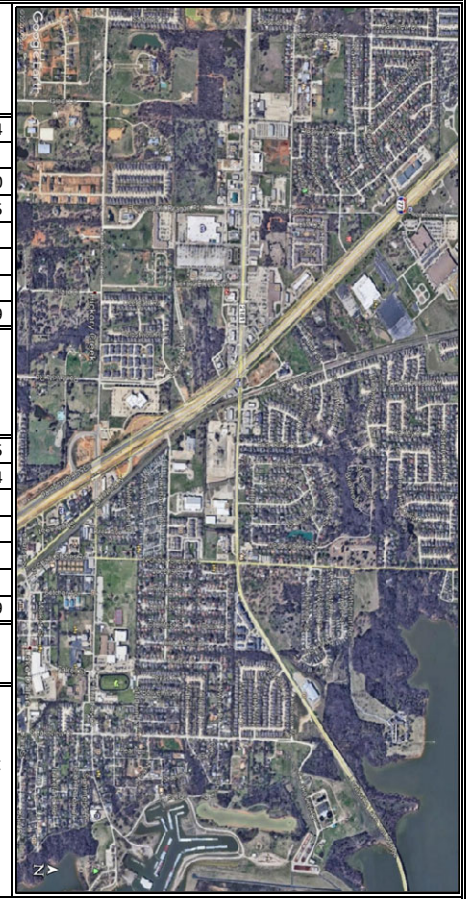
Revenue Bonds									
	Plant Expansion, Phase 3 (51L2)	\$ -	\$ -	\$ -	\$ 4,338,080	\$ 10,461,165	\$ 16,557,015	\$ 8,812,675	\$ 40,168,935
	System Interceptor and Odor Control Improvements (513B)	-	-	-	1,912,305	-	-	-	1,912,305
	Construction Cash Reserve Funds	1,898,174	-	-	-	-	-	-	1,898,174
	Non-Bond Capital Reserve Funds	1,428,871	2,242,990	7,020,695	1,049,335	50,000	50,000	6,237,325	18,079,216
	Non-Bond Capital Reserve Reimbursement	-	-	-	(6,187,325)	-	-	-	(6,187,325)
	Customer Reimbursement	-	-	-	6,187,325	-	-	-	6,187,325
	Project Development Funds	187,990	(187,990)	-	-	-	-	-	-
	Plant Permitting Reserve Funds	36,352	2,000	-	-	-	40,000	20,000	98,352
	Total	\$ 3,551,387	\$ 2,057,000	\$ 7,020,695	\$ 7,299,720	\$ 10,511,165	\$ 16,647,015	\$ 15,070,000	\$ 62,156,982

* - Multiple Funding Sources

Project Title								Department		
Plant Expansion, Phase 3 (from 5.5 to 7.5 MGD) - Includes Biosolids Improvements								51L2		
Description				Operating Budget Impact						
Continue with design / engineering and begin construction for the next expansion of the Lakeview Regional Water Reclamation Plant treatment capacity from 5.5 to 7.5 MGD.						2025	2026	2027	2028	2029
				Personnel Services		\$ -	\$ -	\$ -	\$ -	\$ -
				Admin. / Office Expenses		-	-	-	-	-
				Professional Services		-	-	-	-	-
				Operating and Maintenance		-	-	-	-	-
				Debt Service		-	277,145	1,001,950	1,954,505	2,784,570
				Furniture and Equipment		-	-	-	-	-
Maintenance / OH Allocation		-	-	-	-	-				
Total		\$ -	\$ 277,145	\$ 1,001,950	\$ 1,954,505	\$ 2,784,570				
Project Costs		Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
				2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 3,051,483	\$ 934,580	\$ 100,000	\$ 50,000	\$ 50,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 4,206,063	
Land/Right of Way										
Construction	-	-	2,330,550	4,004,280	9,726,790	15,463,845	14,008,695	45,534,160		
Admin/Inspection	174,533	65,420	170,140	283,800	684,375	1,083,170	981,305	3,442,743		
Legal										
Furniture/Equipment										
Total Costs	\$ 3,226,016	\$ 1,000,000	\$ 2,600,690	\$ 4,338,080	\$ 10,461,165	\$ 16,557,015	\$ 15,000,000	\$ 53,182,966		
Source of Funds		Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
				2025	2026	2027	2028	2029 to Completion		
Revenue Bonds	\$ -	\$ -	\$ -	\$ 4,338,080	\$ 10,461,165	\$ 16,557,015	\$ 8,812,675	\$ 40,168,935		
Non-Bond Capital Rsrv Funds	1,327,842	1,000,000	2,600,690	-	-	-	6,187,325	11,115,857		
Const. Cash Funds (Prior Bond Proceeds)	1,898,174	-	-	-	-	-	-	1,898,174		
Contribution Sources										
O&M Reserve Funds										
Total Sources	\$ 3,226,016	\$ 1,000,000	\$ 2,600,690	\$ 4,338,080	\$ 10,461,165	\$ 16,557,015	\$ 15,000,000	\$ 53,182,966		
Project Schedule		Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Sep-06	2029	North End of Lakeview Drive #1 Lake Dallas, TX							
Land/Right of Way										
Construction	2025	2029								
Admin/Inspection	Mar-05	2029								
Legal										
Furniture/Equipment										
Total Project		2029								



Project Title		Department						
System Interceptor and Odor Control Improvements		513B						
Description			Operating Budget Impact					
Continue with design / engineering and begin construction to correct piping issues and install odor control equipment in and along interceptors and force mains of the Lakeview Regional Water Reclamation System, which is used to transport wastewater flows from System participants to the Lakeview Plant.								
				2025	2026	2027	2028	2029
			Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
			Admin. / Office Expenses	-	-	-	-	-
			Professional Services	-	-	-	-	-
			Operating and Maintenance	-	-	-	-	-
Debt Service	-	69,285	138,570	138,570	138,570			
Furniture and Equipment	-	-	-	-	-			
Maintenance / OH Allocation	-	-	-	-	-			
Total	\$ -	\$ 69,285	\$ 138,570	\$ 138,570	\$ 138,570			
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total
			2025	2026	2027	2028	2029 to Completion	
Design/Engineering	\$ 77,454	\$ 3,000	\$ 5,000	\$ 394,850	\$ -	\$ -	\$ -	\$ 480,304
Land/Right of Way								
Construction/Other	-	-	340,800	1,392,350	-	-	-	1,733,150
Admin/Inspection	23,575	2,000	24,205	125,105	-	-	-	174,885
Legal								
Furniture/Equipment								
Total Costs	\$ 101,029	\$ 5,000	\$ 370,005	\$ 1,912,305	\$ -	\$ -	\$ -	\$ 2,388,339
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total
			2025	2026	2027	2028	2029 to Completion	
Revenue Bonds	\$ -	\$ -	\$ -	\$ 1,912,305	\$ -	\$ -	\$ -	\$ 1,912,305
Non-Bond Capital Rsrv Funds	101,029	5,000	370,005	-	-	-	-	476,034
Plant Permitting Reserve Funds								
Contribution Sources								
O&M Reserve Funds								
Total Sources	\$ 101,029	\$ 5,000	\$ 370,005	\$ 1,912,305	\$ -	\$ -	\$ -	\$ 2,388,339
Project Schedule	Project Start Date	Project Completion Date	Site Information					
Design/Engineering	Sep-21	2026	Project includes all Lakeview force mains and interceptors, but is generally near the intersection of Swisher (FM 2181) and IH35E in Corinth and Hickory Creek and Lake Dallas, TX					
Land/Right of Way								
Construction/Other	2025	2026						
Admin/Inspection	Nov-20	2026						
Legal								
Furniture/Equipment								
Total Project		2026						



Project Title								Department	
Lift Station Improvements								5179	
Description Based on recommendations from the Lift Station Condition Assessment Study, proceed with design and construction of proposed improvements to lift stations in the Lakeview Regional Water Reclamation System.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 158,320	\$ 291,680	\$ 150,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 620,000	
Land/Right of Way									
Construction	-	642,900	3,588,320	913,955	-	-	-	5,145,175	
Admin/Inspection	29,670	65,420	261,680	65,380	-	-	-	422,150	
Legal									
Furniture/Equipment									
Total Costs	\$ 187,990	\$ 1,000,000	\$ 4,000,000	\$ 999,335	\$ -	\$ -	\$ -	\$ 6,187,325	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ -	\$ 1,187,990	\$ 4,000,000	\$ 999,335	\$ -	\$ -	\$ -	\$ 6,187,325	
Non-Bond Capital Rsrv Reimb	-	-	-	(6,187,325)	-	-	-	(6,187,325)	
Customer Reimbursement	-	-	-	6,187,325	-	-	-	6,187,325	
Project Development Funds	187,990	(187,990)	-	-	-	-	-	-	
Total Sources	\$ 187,990	\$ 1,000,000	\$ 4,000,000	\$ 999,335	\$ -	\$ -	\$ -	\$ 6,187,325	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Jan-22	2026	Various lift station locations including Corinth, LCMUA, Hickory Creek, and Highland Village						
Land/Right of Way									
Construction	Sep-24	2026							
Admin/Inspection	Nov-21	2026							
Legal									
Furniture/Equipment									
Total Project		2026							



Project Title							Department		
Contingency Improvements							51LM		
Description To allow for various projects that may be identified throughout the year.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction/Other	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Costs	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Plant Permitting Reserve Funds									
Contribution Sources									
O&M Reserve Funds									
Total Sources	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering			Various areas within the District's service area						
Land/Right of Way									
Construction/Other	Sep-24	Ongoing							
Admin/Inspection									
Legal									
Furniture/Equipment									
Total Project		Ongoing							



ESTIMATED ANNUAL OPERATING EXPENSE (WITH DEBT SERVICE) FROM INVESTMENTS IN CAPITAL PROJECTS

Project Acct	Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
51L2	Plant Expansion, Phase 3 (from 5.5 to 7.5 MGD) - Includes Biosolids Improvements	\$ -	\$ 277,145	\$ 1,001,950	\$ 1,954,505	\$ 2,784,570	\$ 6,018,170
513B	System Interceptor and Odor Control Improvements	-	69,285	138,570	138,570	138,570	484,995
Total		\$ -	\$ 346,430	\$ 1,140,520	\$ 2,093,075	\$ 2,923,140	\$ 6,503,165

Methodology:

Operating expense estimates based on comparable (if any) operating assets in operation with regard to flow capability, inspection requirements, size, electricity and chemical use / requirements, etc.

Debt Service amounts are based on projected interest rates for Revenue Bonds through estimated debt service schedules prepared by the District's financial advisors, and actual debt service amounts for bonds / debt already issued.

Personnel expense estimates based on additional hiring of wastewater operators (Salary and Benefits).

Maintenance and Administration Overhead Allocation amounts are based on 7% of total operating expenses (excluding debt service).

NON-POTABLE WATER SYSTEM

The FY 2025 adopted capital budget for the Non-Potable Water System is \$3,000, no change from the previous budget.

FY 2025 funding consists of the following:

Funding Source	FY 2025 Budget
Construction Cash Reserve Funds	\$3,000

CURRENT PROJECTS

Lake Lewisville / USACE Dam Coordination – The FY 2025 capital budget includes funding to allow District staff to continue coordinating with the U.S. Corps of Engineers’ utility relocation in the same vicinity as the District’s non-potable water pipeline at the Lewisville Lake Dam. Annual funding of \$3,000 is shown for this activity through FY 2027.

- FY 2025 Budget: \$3,000
- Funding Source: Construction Cash Reserve Funds

FUTURE PROJECTS

No other future capital projects are currently planned for the Non-Potable Water System for FY 2026 through FY 2029.

CONSTRUCTION CASH RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 407,159	\$ 421,019	\$ 424,019	\$ 441,839
REVENUES				
Interest Income	16,860	18,000	20,820	19,000
TOTAL REVENUES	\$ 16,860	\$ 18,000	\$ 20,820	\$ 19,000
EXPENDITURES				
Construction Improvement Project	-	3,000	3,000	3,000
TOTAL EXPENDITURES	\$ -	\$ 3,000	\$ 3,000	\$ 3,000
ENDING CASH BALANCE 9/30	\$ 424,019	\$ 436,019	\$ 441,839	\$ 457,839

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
513N	Lake Lewisville / USACE Dam Coordination	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446
	Total	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446
Funding Source:									
	Construction Cash Reserve Funds	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446
	Total	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446

Project Title								Department	
Lewisville Lake / USACE Dam Coordination								513N	
Description Continue coordinating with the U.S. Army Corps of Engineers (USACE) on utility relocations, including engineering / design and construction activities with regard to the District's non-potable water pipeline in the vicinity of the Lewisville Lake Dam.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering									
Land/Right of Way									
Construction									
Admin/Inspection	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446	
Legal									
Furniture/Equipment									
Total Costs	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Revenue Bonds									
Non-Bond Capital Rsrv Funds									
Construction Cash Rsrv Funds	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446	
Contribution Sources									
O&M Reserve Funds									
Total Sources	\$ 1,946	\$ 500	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 11,446	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering			FM 544 near Windhaven Parkway Lewisville, TX						
Land/Right of Way									
Construction									
Admin/Inspection	Sep-19	2027							
Legal									
Furniture/Equipment									
Total Project		2027							



NORTHEAST REGIONAL WATER RECLAMATION SYSTEM- RIVERBEND PLANT

The FY 2025 adopted capital budget for the Northeast Regional Water Reclamation System – Riverbend Plant is \$10,696,000; a decrease of \$314,000 from the previous year adopted capital budget of \$11,010,000. This decrease is primarily due to a shift in the timeline of the West Influent Lift Station Improvements project.

FY 2025 funding consists of the following:

Funding Sources	FY 2025 Budget
Revenue Bonds	\$10,686,000
Contribution Sources	\$10,000

CURRENT PROJECTS

West Influent Lift Station and Dewatering Improvements – Funding to design and construct a West Influent Lift Station to replace the existing lift station at the Riverbend Regional Water Reclamation Plant. Lift Station improvements will provide system reliability for the transfer of increased wastewater flows from the Northeast Water Reclamation System service area.

- FY 2025 Budget: \$10,686,000
- Funding Source: Revenue Bonds

Customer Pipeline Extensions – Contingent funding is shown for FY 2025 to coordinate and plan for future wastewater pipeline extensions for current and / or future customers of the Northeast Regional Water Reclamation System. Annually, funding of \$10,000 is provided through FY 2029 to continue these activities.

- FY 2025 Budget: \$10,000
- Funding Source: Contribution Sources

FUTURE PROJECTS

Permit Renewal – Every 5 years, the District is required to renew the Texas Pollutant Discharge Elimination System permit as required by the Texas Commission on Environmental Quality for the Northeast Regional Water Reclamation System – Riverbend Plant. The next renewal period is anticipated to begin in FY 2027.

Riverbend Plant Expansion, Phase 4 project (from 4.0 to 8.0 mgd) – With continued population growth, it is necessary to begin design / engineering on the next phase of the Riverbend Plant expansion in FY 2027.

CONSTRUCTION CASH RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 2,180,035	\$ 1,251,620	\$ 1,566,051	\$ 266,956
Transfer to Operations	\$ (613,984)		\$ (1,299,095)	
BEGINNING CASH BALANCE Revised	\$ 1,566,051		\$ 266,956	
REVENUES				
Revenue Bonds				
West Influent Lift Station	-	11,000,000	-	11,000,000
Transfers In				
Non-Bond Capital Reserve	317	-	2,185	-
Plant Permitting Reserve	-	-	17,025	-
Working Capital	613,984	-	1,299,095	-
Contribution Sources				
West Influent Lift Station	-	-	2,611,015	-
Customer Pipeline Extensions	-	10,000	1,000	10,000
Interest Income	93,844	45,060	47,865	15,105
TOTAL REVENUES	\$ 708,145	\$ 11,055,060	\$ 3,978,185	\$ 11,025,105
EXPENDITURES				
Construction Improvement Projects	708,145	11,010,000	3,978,185 *	10,696,000
TOTAL EXPENDITURES	\$ 708,145	\$ 11,010,000	\$ 3,978,185	\$ 10,696,000
ENDING CASH BALANCE 9/30	\$ 1,566,051	\$ 1,296,680	\$ 266,956	\$ 596,061

FY 2025 Ending Balance decrease of \$700,619 is largely due to the continued funding of the West Influent Lift Station and Dewatering Improvements project (51IP).

* - Amount also contains expenditures: \$2,185 - Relocation / TxDOT US Hwy 380 Project (51R8) and \$75,000 - Landscaping & Fencing Improvements (51RG). These projects are to be completed in FY 2024 and are not shown on the accompanying 5-Year list of capital improvement projects.

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
51RL	Permit Re-Rating / Renewal	\$ 83,772	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ -	\$ 143,772
51R4	Plant Expansion, Phase 4 (from 4.0 to 8.0 MGD)	-	-	-	-	750,000	5,850,000	6,500,000	13,100,000
51IP	West Influent Lift Station and Dewatering Improvements *	727,682	3,900,000	10,686,000	9,186,315	648,955	-	-	25,148,952
51RX	Customer Pipeline Extensions	-	1,000	10,000	10,000	10,000	10,000	10,000	51,000
Total		\$ 811,454	\$ 3,901,000	\$ 10,696,000	\$ 9,196,315	\$ 1,448,955	\$ 5,880,000	\$ 6,510,000	\$ 38,443,724

Funding Sources:

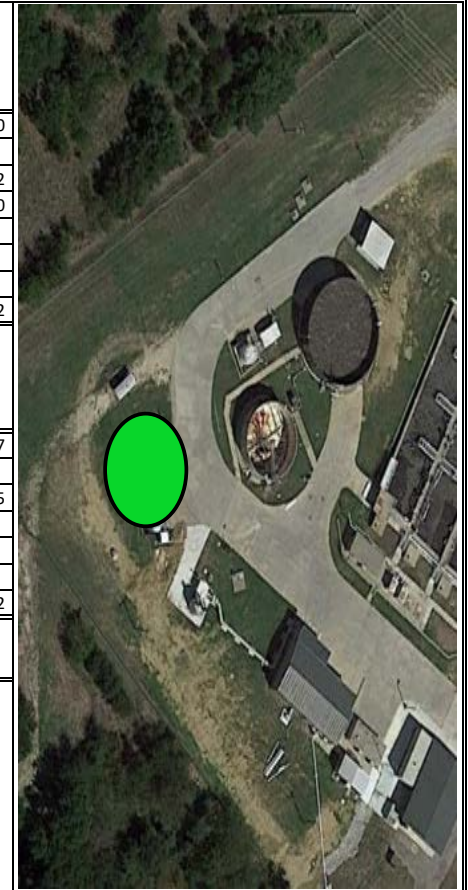
Revenue Bonds

West Influent Pump Station (51IP)	\$ 727,682	\$ 1,288,985	\$ 10,686,000	\$ 9,186,315	\$ 648,955	\$ -	\$ -	\$ -	\$ 22,537,937
Plant Expansion, Phase 4 (51R4)	-	-	-	-	750,000	5,850,000	6,500,000	-	13,100,000
Plant Permitting Reserve Funds	83,772	-	-	-	40,000	20,000	-	-	143,772

Contribution Sources

West Influent Lift Station (51IP)	-	2,611,015	-	-	-	-	-	-	2,611,015
Mustang SUD	-	1,000	10,000	10,000	10,000	10,000	10,000	10,000	51,000
Customer Pipeline Extensions (51RX)	-	1,000	10,000	10,000	10,000	10,000	10,000	10,000	51,000
Total	\$ 811,454	\$ 3,901,000	\$ 10,696,000	\$ 9,196,315	\$ 1,448,955	\$ 5,880,000	\$ 6,510,000	\$ 6,510,000	\$ 38,443,724

Project Title							Department							
West Influent Lift Station and Dewatering Improvements							51IP							
Description				Operating Budget Impact										
Design and construct a West Influent Lift Station to replace the existing lift station at the Riverbend Regional Water Reclamation Plant to provide system reliability for the transfer of increased wastewater flows from the Northeast Water Reclamation System service area.				2025		2026		2027		2028		2029		
				Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				Admin. / Office Expenses	-	-	-	-	-	-	-	-	-	-
				Professional Services	-	-	-	-	-	-	-	-	-	-
				Operating and Maintenance	-	-	-	-	15,000	15,750	-	-	-	-
				Debt Service	973,515	1,347,325	1,719,465	1,723,380	1,726,315	-	-	-	-	-
				Furniture and Equipment	-	-	-	-	-	-	-	-	-	-
Maintenance / OH Allocation	-	-	-	-	1,050	1,105	-	-	-	-				
Total				\$ 973,515	\$ 1,347,325	\$ 1,719,465	\$ 1,739,430	\$ 1,743,170						
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total						
			2025	2026	2027	2028	2029 to Completion							
Design/Engineering	\$ 594,930	\$ 700,000	\$ 405,000	\$ 300,000	\$ 40,000	\$ -	\$ -	\$ 2,039,930						
Land/Right of Way														
Construction	67,347	2,944,860	9,581,915	8,285,340	566,500	-	-	21,445,962						
Admin/Inspection	65,405	255,140	699,085	600,975	42,455	-	-	1,663,060						
Legal														
Furniture/Equipment														
Total Costs	\$ 727,682	\$ 3,900,000	\$ 10,686,000	\$ 7,500,000	\$ 3,000,000	\$ -	\$ -	\$ 25,148,952						
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total						
			2025	2026	2027	2028	2029 to Completion							
Revenue Bonds	\$ 727,682	\$ 1,288,985	\$ 10,686,000	\$ 9,186,315	\$ 648,955	\$ -	\$ -	\$ 22,537,937						
Non-Bond Capital Rsrv Funds														
Contribution Sources (MSUD)	-	2,611,015	-	-	-	-	-	2,611,015						
O&M Reserve Funds														
Total Sources	\$ 727,682	\$ 3,900,000	\$ 10,686,000	\$ 9,186,315	\$ 648,955	\$ -	\$ -	\$ 25,148,952						
Project Schedule	Project		Site Information											
	Start Date	Completion Date												
Design/Engineering	Sep-22	2027	1780 Navo Road Aubrey, TX											
Land/Right of Way														
Construction	Aug-23	2027												
Admin/Inspection	Nov-21	2027												
Legal														
Furniture/Equipment														
Total Project		2027												



Project Title								Department		
Customer Pipeline Extensions								51RX		
Description Coordinate and plan for future wastewater pipeline extensions for current and / or future customers of the Northeast Regional Water Reclamation System (Riverbend Plant).						Operating Budget Impact				
						2025	2026	2027	2028	2029
						Personnel Services				
						Admin. / Office Expenses				
						Professional Services				
						Operating and Maintenance				
						Debt Service				
						Furniture and Equipment				
						Maintenance / OH Allocation				
						Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total		
			2025	2026	2027	2028	2029 to Completion			
Design/Engineering										
Land/Right of Way										
Construction/Other	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000		
Admin/Inspection										
Legal										
Furniture/Equipment										
Total Costs	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000		
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total		
			2025	2026	2027	2028	2029 to Completion			
Revenue Bonds										
Non-Bond Capital Rsrv Funds										
Contribution Sources	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000		
O&M Reserve Funds										
Total Sources	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000		
Project Schedule	Project Start Date	Project Completion Date	Site Information							
Design/Engineering			Various locations in the Northeast Regional Water Reclamation System (Riverbend Plant) service area.							
Land/Right of Way										
Construction/Other	Sep-24	Ongoing								
Admin/Inspection										
Legal										
Furniture/Equipment										
Total Project		Ongoing								



ESTIMATED ANNUAL OPERATING EXPENSE (WITH DEBT SERVICE) FROM INVESTMENTS IN CAPITAL PROJECTS

Project Acct	Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
51P	West Influent Lift Station and Dewatering Improvements	\$ 973,515	\$ 1,347,325	\$ 1,719,465	\$ 1,739,430	\$ 1,743,170	7,522,905
	Total	\$ 973,515	\$ 1,347,325	\$ 1,719,465	\$ 1,739,430	\$ 1,743,170	\$ 7,522,905

Methodology:

Operating expense estimates based on comparable (if any) operating assets in operation with regard to flow capability, inspection requirements, size, electricity and chemical use / requirements, etc.

Debt Service amounts are based on projected interest rates for Revenue Bonds through estimated debt service schedules prepared by the District's financial advisors, and actual debt service amounts for bonds / debt already issued.

Personnel expense estimates based on additional hiring of wastewater operators (Salary and Benefits).

Maintenance and Administration Overhead Allocation amounts are based on 7% of total operating expenses (excluding debt service).

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM- DOE BRANCH PLANT

The FY 2025 adopted capital budget for the Northeast Regional Water Reclamation System – Doe Branch Plant is \$79,796,865; an increase of \$26,636,865 from the previous year adopted capital budget of \$53,160,000. This increase is primarily due to the increased scope and cost of the Plant Expansion, Phase 3 project.

FY 2025 funding consists of the following:

Funding Sources	FY 2025 Budget
Revenue Bonds	\$37,975,045
Construction Cash Reserve Funds	\$2,975,220
Non-Bond Capital Reserve Funds	(\$609,915)*
TxDOT Reimbursements	\$512,490
Contribution Sources	\$38,944,025

*Non-Bond Capital Reserve Funds utilized for certain projects will be reimbursed by TxDOT and Contribution Sources in FY 2025.

CURRENT PROJECTS

Plant Expansion, Phase 3 (from 4.0 to 12.0 MGD) – As the population continues to grow and following completion of Phase 2 of the plant expansion, funding is provided to continue design, engineering and construction for the third phase of expansion.

- FY 2025 Budget: \$67,250,000
- Funding Sources: Revenue Bonds, Contribution Sources, Construction Cash Reserve Funds

Phase 1, Parallel Interceptor – With the projected increase in wastewater flows from the Doe Branch service area, the District is constructing a parallel interceptor to deliver wastewater flows from various trunk mains to the Doe Branch Plant for treatment. Funding is provided to continue initial design / engineering and construction of this parallel interceptor.

- FY 2025 Budget: \$12,386,865
- Funding Sources: Revenue Bonds, Contribution Sources

Relocation / TxDOT US Hwy 380 Project – Many active highway projects are under construction in the District’s northeast service area. The FY 2025 capital budget provides funding for District staff to coordinate with TxDOT regarding the possible relocation of District Doe Branch Plant wastewater pipelines in conjunction with their U.S. Highway 380 roadway project.

- FY 2025 Budget: \$150,000
- Funding Sources: Non-Bond Capital Reserve Funds, TxDOT Reimbursements

Customer Pipeline Extensions – In addition, funding is included for possible new wastewater pipeline extensions for current and / or future customers of the Northeast Regional Water Reclamation System. Annual funding of \$10,000 is provided through FY 2029 to continue these activities.

- FY 2025 Budget: \$10,000
- Funding Source: Contribution Sources

FUTURE PROJECTS

Permit Renewal – Every 5 years, the District is required to renew the Texas Pollutant Discharge Elimination System permit as required by the Texas Commission on Environmental Quality for the Doe Branch Regional Water Reclamation Plant. The next renewal period is anticipated to begin in FY 2026.

Phase 2, Parallel Interceptor – Following the first phase of the parallel interceptor project, the second phase provides for an interceptor that extends from Fish Trap Road, north to the junction structure near Parvin and Good Hope Road in Little Elm, Tx.

CONSTRUCTION CASH RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 16,787,324	\$ 16,356,896	\$ 12,860,122	\$ 36,900,847
Transfer to Operations	<u>\$ (3,927,202)</u>			<u>\$ (13,246,775)</u>
BEGINNING CASH BALANCE Revised	\$ 12,860,122			\$ 23,654,072
REVENUES				
Deposit - TxDOT Reimbursement				
Relocation / TxDOT U.S. Hwy 380 Project	-	3,000,000	-	-
Revenue Bonds				
Phase 1, Parallel Interceptor (Celina)	-	-	-	6,000,000
Plant Expansion, Phase 3 (Celina)	-	60,000,000	27,000,000	30,000,000
Contribution Sources				
Phase 1, Parallel Interceptor (Prosper)	-	15,033,295	1,102,365	6,000,000
Plant Expansion, Phase 3 (Prosper)	-	-	5,000,000	25,250,000
Customer Pipeline Extensions	-	10,000	1,000	10,000
Transfers In				
CIP Projects Funding - Operations	-	-	-	-
Non-Bond Capital Reserve	1,259,968	-	150,000	150,000
Working Capital	3,927,202	-	-	13,246,775
Interest Income	750,421	522,295	1,219,830	599,420
TOTAL REVENUES	<u>\$ 5,937,591</u>	<u>\$ 78,565,590</u>	<u>\$ 34,473,195</u>	<u>\$ 81,256,195</u>
EXPENDITURES				
Construction Improvement Projects	5,937,591	53,160,000	6,151,000	79,796,865
Refund to Elm Ridge WCID (from Contributions)	-	933,385	883,890	-
Transfers Out				
Northeast Regional Water Reclamation System				
Operating Cash	-	-	-	632,500
Non-Bond Capital Reserve	-	-	-	826,830
Riverbend Construction Cash Reserve	-	-	2,611,015	-
Regional Treated Water System				
Non-Bond Capital Reserve				
Loan Repayment (U.S. Hwy 380 Project)	-	3,000,000	-	-
Construction Cash Reserve	-	-	286,565	-
Peninsula Water Reclamation Plant				
Construction Cash Reserve	-	-	500,000	-
TOTAL EXPENDITURES	<u>\$ 5,937,591</u>	<u>\$ 57,093,385</u>	<u>\$ 10,432,470</u>	<u>\$ 81,256,195</u>
ENDING CASH BALANCE 9/30	<u>\$ 12,860,122</u>	<u>\$ 37,829,101</u>	<u>\$ 36,900,847</u>	<u>\$ 23,654,072</u>

FY 2025 Ending Balance decrease of \$14,175,029 is largely due to the continued funding of the Doe Branch Plant Expansion, Phase 3 and Phase 1, Parallel Interceptor.

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Acct	Project	Prior Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
51BL	Permit Re-Rating / Renewal	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ 60,000
518U	Plant Expansion, Phase 3 (from 4.0 to 12.0 MGD) *	4,290,982	4,000,000	67,250,000	55,225,000	56,024,275	23,102,300	-	209,892,557
511A	Phase 1, Parallel Interceptor *	613,565	2,000,000	12,386,865	12,006,655	5,499,570	-	-	32,506,655
512A	Phase 2, Parallel Interceptor	-	-	-	750,000	10,000,000	10,000,000	10,000,000	30,750,000
51B8	Relocation / TxDOT US Hwy 380 Project *	2,631,422	150,000	150,000	-	-	-	-	2,931,422
518X	Customer Pipeline Extensions	-	1,000	10,000	10,000	10,000	10,000	10,000	51,000
	Total	\$ 7,535,969	\$ 6,151,000	\$ 79,796,865	\$ 68,031,655	\$ 71,553,845	\$ 33,112,300	\$ 10,010,000	\$ 276,191,634

Funding Sources:

Revenue Bonds

Plant Expansion, Phase 3 (518U)	\$ 4,290,982	\$ -	\$ 31,975,045	\$ 39,115,515	\$ 56,024,275	\$ 23,102,300	\$ -	\$ -	\$ 154,508,117
Phase 1, Parallel Interceptor (511A)	-	-	6,000,000	9,000,000	-	-	-	-	15,000,000
Phase 2, Parallel Interceptor (512A)	-	-	-	750,000	10,000,000	10,000,000	10,000,000	-	30,750,000
Construction Cash Reserve Funds									
Plant Expansion, Phase 3 (518U)									
City of Celina	-	-	2,975,220	-	-	-	-	-	2,975,220
Phase 1, Parallel Interceptor (511A)									
City of Celina	183,070	473,685	-	-	-	-	-	-	656,755
Town of Prosper	183,070	473,685	-	-	-	-	-	-	656,755
Non-Bond Capital Reserve Funds	2,878,847	150,000	150,000	-	-	-	-	-	3,178,847
Non-Bond Capital Reserve Reimbursement	(678,831)	(1,212,445)	(759,915)	-	-	-	-	-	(2,651,191)
Plant Permitting Reserve Funds	-	-	-	40,000	20,000	-	-	-	60,000
TxDOT Reimbursement	678,831	1,212,445	512,490	-	-	-	-	-	2,403,766
Contribution Sources									
Plant Expansion, Phase 3 (518U)	-	4,000,000	32,299,735	16,109,485	-	-	-	-	52,409,220
Phase 1, Parallel Interceptor (511A)	-	1,052,630	6,634,290	3,006,655	5,499,570	-	-	-	16,193,145
Customer Pipeline Extensions (518X)	-	1,000	10,000	10,000	10,000	10,000	10,000	10,000	51,000
Total	\$ 7,535,969	\$ 6,151,000	\$ 79,796,865	\$ 68,031,655	\$ 71,553,845	\$ 33,112,300	\$ 10,010,000	\$ 10,010,000	\$ 276,191,634

* Multiple Funding Sources

Project Title							Department		
Plant Expansion, Phase 3 (from 4.0 to 12.0 MGD)							518U		
Description Continue design / engineering and construction to expand the treatment capacity of the Doe Branch Regional Water Reclamation Plant from 4.0 to 12.0 MGD.				Operating Budget Impact					
				2025	2026	2027	2028	2029	
				\$ -	\$ -	\$ -	\$ 125,000	\$ 250,000	
				-	-	-	2,000	2,000	
				-	-	-	1,050	1,050	
				-	-	-	25,000	50,000	
				2,025,625	4,280,195	7,114,000	9,257,550	9,255,550	
				-	-	-	2,500	2,500	
				-	-	-	10,890	21,390	
				\$ 2,025,625	\$ 4,280,195	\$ 7,114,000	\$ 9,423,990	\$ 9,582,490	
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 3,971,648	\$ 2,500,000	\$ 2,200,000	\$ 1,000,000	\$ 500,000	\$ 223,250	\$ -	\$ 10,394,898	
Land/Right of Way									
Construction	160,998	1,238,320	60,650,465	50,613,000	51,859,275	21,924,335	-	186,446,393	
Admin/Inspection	154,898	259,680	4,399,535	3,612,000	3,665,000	954,715	-	13,045,828	
Legal	3,438	2,000	-	-	-	-	-	5,438	
Furniture/Equipment									
Total Costs	\$ 4,290,982	\$ 4,000,000	\$ 67,250,000	\$ 55,225,000	\$ 56,024,275	\$ 23,102,300	\$ -	\$ 209,892,557	
Source of Funds	Appropriations through FY 2023	Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Revenue Bonds	\$ 4,290,982	\$ -	\$ 31,975,045	\$ 39,115,515	\$ 56,024,275	\$ 23,102,300	\$ -	\$ 154,508,117	
Non-Bond Capital Rsrv Funds									
Non-Bond Capital Rsrv Reimb									
Contribution Sources	-	4,000,000	32,299,735	16,109,485	-	-	-	52,409,220	
Construction Cash Rsrv Funds (Celina)	-	-	2,975,220	-	-	-	-	2,975,220	
Total Sources	\$ 4,290,982	\$ 4,000,000	\$ 67,250,000	\$ 55,225,000	\$ 56,024,275	\$ 23,102,300	\$ -	\$ 209,892,557	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	Sep-22	2028	27080 U.S. Highway 380 Little Elm, TX						
Land/Right of Way									
Construction	Aug-23	2028							
Admin/Inspection	Sep-22	2028							
Legal	May-23	Apr-24							
Furniture/Equipment									
Total Project		2028							



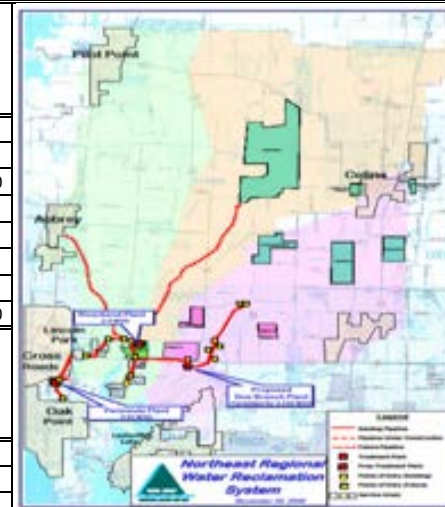
Project Title								Department			
Phase 1, Parallel Interceptor								511A			
Description						Operating Budget Impact					
Continue design / engineering and construction of a parallel interceptor from approximately Fishtrap Road south to the Doe Branch Plant to provide additional capacity for the future increased treatment capacity upon completion of the Doe Branch Plant Phase 3 expansion from 4.0 to 12.0 MGD.						2025		2026	2027	2028	2029
						Personnel Services	\$ -	\$ -	\$ 25,000	\$ 26,250	\$ 27,565
						Admin. / Office Expenses	-	-	-	-	-
						Professional Services	-	-	-	-	-
						Operating and Maintenance	-	-	68,950	71,710	74,575
						Debt Service	-	752,690	1,077,220	1,077,220	1,077,220
						Furniture and Equipment	-	-	-	-	-
Maintenance / OH Allocation	-	-	6,575	6,855	7,150						
Total						\$ -	\$ 752,690	\$ 1,177,745	\$ 1,182,035	\$ 1,186,510	
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Design/Engineering	\$ 545,138	\$ 290,000	\$ 200,000	\$ 75,000	\$ 5,517	\$ -	\$ -	\$ 1,115,655			
Land/Right of Way	-	500,000	-	-	-	-	-	500,000			
Construction	19,836	1,079,160	11,376,510	11,146,170	5,178,324	-	-	28,800,000			
Admin/Inspection	48,591	130,840	810,355	785,485	315,729	-	-	2,091,000			
Legal											
Furniture/Equipment											
Total Costs	\$ 613,565	\$ 2,000,000	\$ 12,386,865	\$ 12,006,655	\$ 5,499,570	\$ -	\$ -	\$ 32,506,655			
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total			
			2025	2026	2027	2028	2029 to Completion				
Revenue Bonds	\$ -	\$ -	\$ 6,000,000	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 15,000,000			
Non-Bond Capital Rsrv Funds	247,425	-	-	-	-	-	-	247,425			
Non-Bond Capital Rsrv Reimb	-	-	(247,425)	-	-	-	-	(247,425)			
Contribution Sources	-	1,052,630	6,634,290	3,006,655	5,499,570	-	-	16,193,145			
Construction Cash Rsrv Funds (Celina)	183,070	473,685	-	-	-	-	-	656,755			
Construction Cash Rsrv Funds (Prosper)	183,070	473,685	-	-	-	-	-	656,755			
Total Sources	\$ 613,565	\$ 2,000,000	\$ 12,386,865	\$ 12,006,655	\$ 5,499,570	\$ -	\$ -	\$ 32,506,655			
Project Schedule	Project Start Date	Project Completion Date	Site Information								
Design/Engineering	Aug-21	2027	Sewer Interceptor from Fishtrap south to the Doe Branch Regional Water Reclamation Plant 27080 U.S. Highway 380 Little Elm, TX								
Land/Right of Way	Sep-24	Sep-24									
Construction	Aug-23	2027									
Admin/Inspection	Jul-21	2027									
Legal											
Furniture/Equipment											
Total Project		2027									



Project Title								Department	
Relocation / TxDOT US Hwy 380 Project								51B8	
Description Complete coordination with the Texas Department of Transportation's U.S. Hwy 380 project for the relocation of the Doe Branch Regional Water Reclamation Plant's wastewater pipelines and related facilities, due to roadway improvements. Upon project completion, the District will be reimbursed by the Texas Department of Transportation for approximately 82% of project costs.					Operating Budget Impact				
					2025	2026	2027	2028	2029
					Personnel Services				
					Admin. / Office Expenses				
					Professional Services				
					Operating and Maintenance				
					Debt Service				
					Furniture and Equipment				
					Maintenance / OH Allocation				
					Total				
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Design/Engineering	\$ 406,595	\$ 15,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 431,595	
Land/Right of Way	508,667	-	-	-	-	-	-	508,667	
Construction	1,389,784	80,000	85,000	-	-	-	-	1,554,784	
Admin/Inspection	283,309	47,200	55,000	-	-	-	-	385,509	
Legal	43,067	7,800	-	-	-	-	-	50,867	
Furniture/Equipment									
Total Costs	\$ 2,631,422	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 2,931,422	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total	
			2025	2026	2027	2028	2029 to Completion		
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ 2,631,422	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 2,931,422	
Non-Bond Capital Rsrv Reimb	(678,831)	(1,212,445)	(512,490)	-	-	-	-	(2,403,766)	
TxDOT Reimbursement	678,831	1,212,445	512,490	-	-	-	-	2,403,766	
Contribution Sources								-	
Total Sources	\$ 2,631,422	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 2,931,422	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	June-19	2025	Project limits are from approximately Loop 288 to the Tollway (Denton County, TX)						
Land/Right of Way	Apr-22	Sep-22							
Construction	May-21	2025							
Admin/Inspection	Jun-19	2025							
Legal	Jun-19	Mar-24							
Furniture/Equipment									
Total Project		2025							



Project Title		Customer Pipeline Extensions						Department		518X				
Description		Coordinate and plan for future wastewater pipeline extensions for current and / or future customers of the Northeast Regional Water Reclamation System (Doe Branch Plant).						Operating Budget Impact		2025	2026	2027	2028	2029
								Personnel Services						
								Admin. / Office Expenses						
								Professional Services						
								Operating and Maintenance						
								Debt Service						
								Furniture and Equipment						
								Maintenance / OH Allocation						
								Total						
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					Project Total						
			2025	2026	2027	2028	2029 to Completion							
Design/Engineering														
Land/Right of Way														
Construction/Other	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000						
Admin/Inspection														
Legal														
Furniture/Equipment														
Total Costs	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000						
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					Project Total						
			2025	2026	2027	2028	2029 to Completion							
Revenue Bonds														
Non-Bond Capital Rsrv Funds														
Plant Permitting Rsrv Funds														
Contribution Sources	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000						
O&M Reserve Funds														
Total Sources	\$ -	\$ 1,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 51,000						
Project Schedule	Project Start Date	Project Completion Date	Site Information											
Design/Engineering			Various locations in the Northeast Regional Water Reclamation System (Doe Branch Plant) service area.											
Land/Right of Way														
Construction/Other	Sep-24	Ongoing												
Admin/Inspection														
Legal														
Furniture/Equipment														
Total Project		Ongoing												



ESTIMATED ANNUAL OPERATING EXPENSE (WITH DEBT SERVICE) FROM INVESTMENTS IN CAPITAL PROJECTS

Project Acct	Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
518U	Plant Expansion, Phase 3 (from 4.0 to 12.0 MGD)	\$ 2,025,625	\$ 4,280,195	\$ 7,114,000	\$ 9,423,990	\$ 9,582,490	\$ 32,426,300
511A	Phase 1, Parallel Interceptor	-	752,690	1,177,745	1,182,035	1,186,510	4,298,980
Total		\$ 2,025,625	\$ 5,032,885	\$ 8,291,745	\$ 10,606,025	\$ 10,769,000	\$ 36,725,280

Methodology:

Operating expense estimates based on comparable (if any) operating assets in operation with regard to flow capability, inspection requirements, size, electricity and chemical use / requirements, etc.

Debt Service amounts are based on projected interest rates for Revenue Bonds through estimated debt service schedules prepared by the District's financial advisors, and actual debt service amounts for bonds / debt already issued.

Personnel expense estimates based on additional hiring of wastewater operators (Salary and Benefits).

Maintenance and Administration Overhead Allocation amounts are based on 7% of total operating expenses (excluding debt service).

PENINSULA WATER RECLAMATION PLANT

The FY 2025 adopted capital budget for the Peninsula Water Reclamation Plant is \$1,500,000. There were no Capital Improvement Projects budgeted for the prior year.

FY 2025 funding consists of the following:

Funding Source	FY 2025 Budget
Non-Bond Capital Reserve Funds	\$1,000,000
Contribution Sources	\$500,000

CURRENT PROJECTS

Clarifier Rehabilitation – Funding provides for design and construction to replace equipment in Clarifiers 1 and 2. This includes the structural evaluation and rehabilitation of the damaged concrete floor, walls, and weir troughs on both original plant clarifiers at the Peninsula Water Reclamation Plant and the replacement of all sludge rake / collector equipment and weir baffles in both clarifiers.

- FY 2025 Budget: \$1,500,000
- Funding Sources: Non-Bond Capital Reserve Funds, Contribution Sources

FUTURE PROJECTS

Permit Renewal – Every 5 years, the District is required to renew the Texas Pollutant Discharge Elimination System permit as required by the Texas Commission on Environmental Quality for the Peninsula Water Reclamation Plant. The next renewal period is anticipated to begin in FY 2027.

Plant Expansion, Phase 4 (from 2.0 to 4.0 MGD) – As the population continues to grow within the Peninsula service area, the District will need to begin initial design / engineering for the next expansion phase in FY 2027.

CONSTRUCTION CASH RESERVE

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01	\$ 8,594,274	\$ 157,404	\$ 486,505	\$ 539,925
Transfer to Operations	<u>\$ (8,107,769)</u>			<u>\$ (491,485)</u>
BEGINNING CASH BALANCE Revised	\$ 486,505			\$ 48,440
REVENUES				
Transfers In				
Non-Bond Capital Reserve	-	-	60,000	1,000,000
Plant Permitting Reserve	5,425	-	-	-
Northeast Regional Water Reclamation System				
Construction Cash Reserve	-	-	500,000	-
Working Capital	8,107,769	-	-	491,485
Interest Income	200,168	6,295	59,870	8,515
TOTAL REVENUES	\$ 8,313,362	\$ 6,295	\$ 619,870	\$ 1,500,000
EXPENDITURES				
Construction Improvement Projects	8,313,362	-	566,450 *	1,500,000
TOTAL EXPENDITURES	\$ 8,313,362	\$ -	\$ 566,450	\$ 1,500,000
ENDING CASH BALANCE 9/30	\$ 486,505	\$ 163,699	\$ 539,925	\$ 48,440

FY 2025 Ending Balance decrease of \$115,259 is due to funding the Clarifier Rehabilitation project (51N4) and completing the Peninsula Plant Expansion (51N3).

* - Amount contains expenditures: \$566,450 - Peninsula Plant Expansion, Phase 3 (51N3). This project is to be completed in FY 2024 and is not shown on the accompanying 5-Year list of capital improvement projects.

FY 2025 ADOPTED CAPITAL BUDGET WITH PROJECTIONS THROUGH FY 2029

Acct	Project	Prior Year Expenditures	Estimated FY 2024	Adopted FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
51PL	Permit Renewal	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ -	\$ 60,000
51N4	Clarifier Rehabilitation *	-	-	1,500,000	-	-	-	-	1,500,000
TBD	Plant Expansion, Phase 4 (from 2.0 to 4.0 MGD)	-	-	-	-	400,000	12,500,000	12,500,000	25,400,000
	Total	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 440,000	\$ 12,520,000	\$ 12,500,000	\$ 26,960,000

Funding Sources:

Plant Permitting Reserve Funds	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ 60,000
Non-Bond Capital Reserve Funds	-	-	1,000,000	-	-	-	-	-	1,000,000
Contribution Sources	-	-	500,000	-	400,000	12,500,000	12,500,000	-	25,900,000
	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 440,000	\$ 12,520,000	\$ 12,500,000	\$ -	\$ 26,960,000

Project Title		Department							
Clarifier Rehabilitation		51N4							
Description Funding provides for design and construction to replace equipment in Clarifiers 1 and 2. This includes the structural evaluation and rehabilitation of the damaged concrete floor, walls, and weir troughs on both original plant clarifiers at the Peninsula Water Reclamation Plant and the replacement of all sludge rake / collector equipment and weir baffles in both clarifiers.		Operating Budget Impact		2025	2026	2027	2028	2029	
		Personnel Services							
		Admin. / Office Expenses							
		Professional Services							
		Operating and Maintenance							
		Debt Service							
		Furniture and Equipment							
		Maintenance / OH Allocation							
		Total							
Project Costs	Expenditures through FY 2023	Estimated Expenditures FY 2024	Future Planned Expenditures					2029 to Completion	Project Total
			2025	2026	2027	2028			
Design/Engineering	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
Land/Right of Way									
Construction	-	-	1,301,870	-	-	-	-	1,301,870	
Admin/Inspection	-	-	98,130	-	-	-	-	98,130	
Legal									
Furniture/Equipment									
Total Costs	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
Source of Funds	Appropriations through FY 2023	Estimated Appropriations FY 2024	Future Planned Appropriations					2029 to Completion	Project Total
			2025	2026	2027	2028			
Revenue Bonds									
Non-Bond Capital Rsrv Funds	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	
Construction Cash Reserve Funds									
Contribution Sources	-	-	500,000	-	-	-	-	500,000	
Total Sources	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
Project Schedule	Project Start Date	Project Completion Date	Site Information						
Design/Engineering	2025	2025	1130 Naylor Road Oak Point, TX (FM 720 and Hwy 380)						
Land/Right of Way									
Construction	2025	2025							
Admin/Inspection	2025	2025							
Legal									
Furniture/Equipment									
Total Project		2025							



GROWTH PROGRAM FUND

The Growth Program was established to allow members not yet receiving services from the District to provide funding for land, rights-of-way and easement purchases associated with future projects for the District's service areas. In order to continue this effort, the FY 2025 budget contains a transfer to the Regional Treated Water System Construction Cash Reserve for capital project funding assistance.

MISSION

The mission is to adequately plan for the purchase of land, rights-of-way, and other costs necessary for future District facilities.

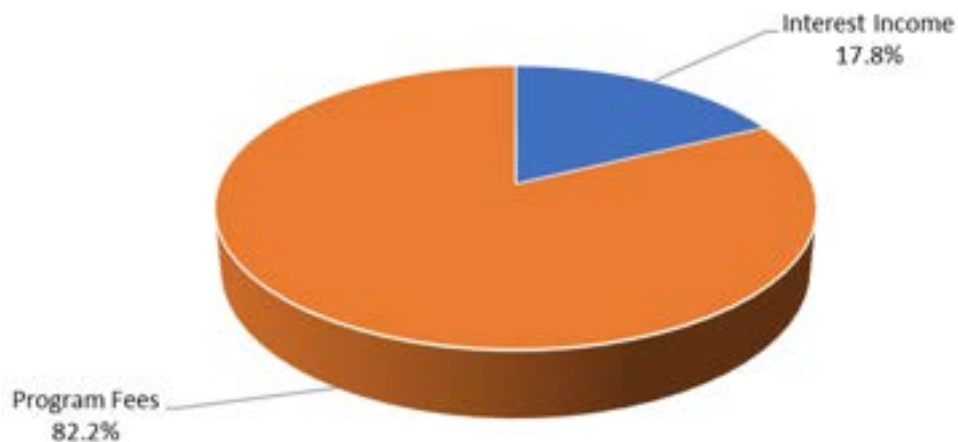
GOALS AND OBJECTIVE

- Provide accurate accounting of land, rights-of-way, and other costs associated with District construction projects.

BUDGET SUMMARY

		FY 2023 Actuals	FY 2024 Budget	FY 2024 Estimates	FY 2025 Budget
BEGINNING CASH BALANCE 10/01		\$ 58,582	\$ 61,682	\$ 61,766	\$ 65,301
CAPITAL REVENUES					
Program Fees	2025 Est. Pop.				
Argyle	6,470	\$ 3,824	\$ 4,600	\$ 4,600	\$ 5,000
Copper Canyon	2,037	1,424	1,470	1,470	1,630
Pilot Point	6,578	5,000	5,000	5,000	5,000
Ponder	2,851	5,000	5,000	5,000	5,000
Total Program Fees	17,936	\$ 15,248	\$ 16,070	\$ 16,070	\$ 16,630
Interest Revenue		3,186	4,500	3,535	3,600
TOTAL CAPITAL REVENUES		\$ 18,434	\$ 20,570	\$ 19,605	\$ 20,230
CAPITAL EXPENSE					
Transfer Out					
RTWS - Construction Cash		\$ 15,250	\$ 16,070	\$ 16,070	\$ 16,630
TOTAL CAPITAL EXPENSE		\$ 15,250	\$ 16,070	\$ 16,070	\$ 16,630
ENDING CASH BALANCE 9/30		\$ 61,766	\$ 66,182	\$ 65,301	\$ 68,901

Capital Revenues



SUMMARY OF MAJOR CHANGES

- Program fees are budgeted at \$2.30/capita. For those entities that receive indirect service from the District’s Water Project (Argyle and Copper Canyon), the fees are \$0.80/capita. A minimum fee of \$1,100 and a maximum fee of \$5,000 applies to all participants.
- Interest Income is representative of current market conditions.
- Transfer Out of Program Fees to the Regional Treated Water System Construction Cash for capital project improvement funding assistance.

Project/ Description	Year End FY 2024	FY 2025 Expenses	FY 2025 Reimbursements	Projected Year End FY 2025
Regional Treated Water System – CIP Projects	\$16,070	\$16,630	\$(0.00)	\$32,700

PROJECT DEVELOPMENT FUND

The purpose of the Project Development Fund is to account for appropriations from operating funds related to the feasibility of future capital projects for expansion of, and improvements to, District facilities. Also, it provides funding assistance for “start-up” facilities. Once projects are approved to begin, the Project Development Fund is reimbursed from the capital funds designated specifically for the project. This is a revolving fund which began with funding contributed by early members and continues with contributions from District systems.

MISSION

The mission is to adequately and efficiently conduct studies that will provide District management with sufficient decision-making information on the feasibility of projects that will be beneficial to the District and its members.

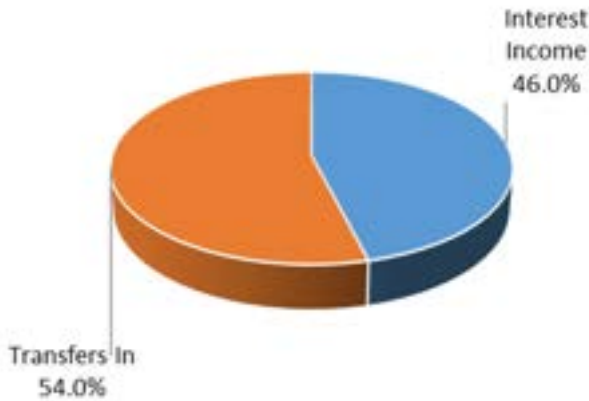
GOALS AND OBJECTIVE

- Provide accurate accounting of all activities associated with feasibility studies deemed necessary to determine the potential of future projects.

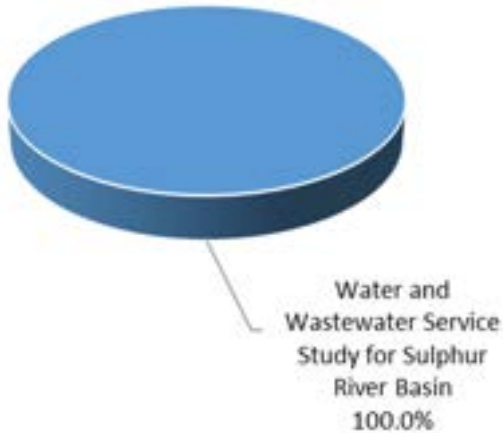
BUDGET SUMMARY

	<u>FY 2023 Actuals</u>	<u>FY 2024 Budget</u>	<u>FY 2024 Estimates</u>	<u>FY 2025 Budget</u>
BEGINNING CASH BALANCE 10/01	\$ 451,842	\$ 521,962	\$ 396,742	\$ 382,107
Transfer to Operations	\$ (55,100)	\$ (180,400)	\$ (14,635)	\$ (21,600)
BEGINNING CASH BALANCE Revised	\$ 396,742	\$ 341,562	\$ 382,107	\$ 360,507
CAPITAL REVENUES				
Transfers In				
Lift Station Condition Assessments (Reimb.)				
Lakeview Regional Water Reclamation System	\$ -	\$ -	\$ 187,990	\$ -
Working Capital	55,100	180,400	14,635	21,600
Total Transfers In	\$ 55,100	\$ 180,400	\$ 202,625	\$ 21,600
Interest Revenue	18,795	20,000	20,145	18,400
TOTAL CAPITAL REVENUES	<u>\$ 73,895</u>	<u>\$ 200,400</u>	<u>\$ 222,770</u>	<u>\$ 40,000</u>
CAPITAL EXPENSE				
Water Reclamation Lift Station Condition Assessments				
	\$ 2,664	\$ -	\$ -	\$ -
Water and Wastewater Service Study for Sulphur River Basin				
	71,231	200,400	222,770	40,000
TOTAL CAPITAL EXPENSE	<u>\$ 73,895</u>	<u>\$ 200,400</u>	<u>\$ 222,770</u>	<u>\$ 40,000</u>
ENDING CASH BALANCE 9/30	<u>\$ 396,742</u>	<u>\$ 341,562</u>	<u>\$ 382,107</u>	<u>\$ 360,507</u>

Capital Revenues



Capital Expenditures



SUMMARY OF MAJOR CHANGES

- Interest Income is representative of current market conditions.
- Reimbursement for the Water Reclamation Lift Station Condition Assessments by the Lakeview Regional Water Reclamation System was made in FY 2024.
- Funding provided to complete a Water and Wastewater Service study for the Sulphur River Basin to evaluate future water and wastewater service in Fannin County.

UTRWD SERVICE AREA - WATER



UTRWD SERVICE AREA – WATER RECLAMATION



MEMBER / CUSTOMER POPULATIONS

	2019	2020	2021	2022	2023	2024
Argyle WSC	7,695	8,130	8,430	10,239	11,211	12,486
Argyle	4,170	4,310	4,430	4,780	5,747	6,470
Aubrey	4,530	5,380	6,210	7,580	8,550	9,187
Bartonville	1,710	1,740	1,750	1,770	1,777	1,788
Blackrock WSC**	1,350	1,350	1,490	-	-	-
Celina	18,860	20,397	26,409	31,598	35,028	45,854
Copper Canyon	1,430	1,450	1,460	1,780	1,835	2,037
Corinth	21,260	22,160	22,655	24,199	24,199	24,199
Cross Timbers WSC	7,456	7,614	7,756	8,060	8,060	8,139
Denton	134,460	138,250	141,000	146,750	149,509	154,189
Denton County*	50,441	46,248	38,045	39,803	33,318	20,176
DCFWSD #1A	13,042	14,720	15,606	-	-	-
DCFWSD #7	12,000	12,000	12,300	13,191	13,325	16,314
DCFWSD #8A	6,219	6,197	5,865	3,050	5,853	6,039
Providence Village (DCFWSD#9)	6,630	6,700	6,910	8,260	9,298	10,358
Elm Ridge (DCFWSD #10)	4,290	5,282	5,064	5,348	5,524	5,325
DCFWSD #11A	9,272	9,660	9,492	10,509	10,083	11,067
Double Oak	2,970	2,990	2,990	3,080	3,081	3,096
Flower Mound	76,030	78,080	79,390	80,268	80,268	80,707
Highland Village	17,000	17,000	16,500	17,679	17,679	17,679
Irving	240,420	242,410	245,410	261,350	263,720	264,546
Justin	4,455	5,292	6,271	7,952	7,952	7,952
Krum	5,760	5,760	5,943	6,764	6,764	6,764
Lake Cities MUA	15,512	15,767	16,582	16,994	16,994	16,314
Lewisville	105,640	107,120	109,270	132,620	134,242	137,315
Mustang SUD	38,075	44,718	56,088	65,987	74,019	82,965
Northlake	4,500	8,898	15,336	16,830	16,830	16,830
Oak Point	3,680	3,930	4,110	5,000	5,492	6,019
Pilot Point	4,260	4,300	4,500	4,830	5,218	6,578
Ponder	2,390	2,400	2,400	2,450	2,711	2,851
Prosper	25,630	28,380	31,090	35,410	38,840	42,598
Sanger	8,800	9,080	9,640	10,463	10,463	10,463
TOTAL	859,937	887,713	920,392	984,594	1,007,590	1,036,305

*Includes only unincorporated areas within the County

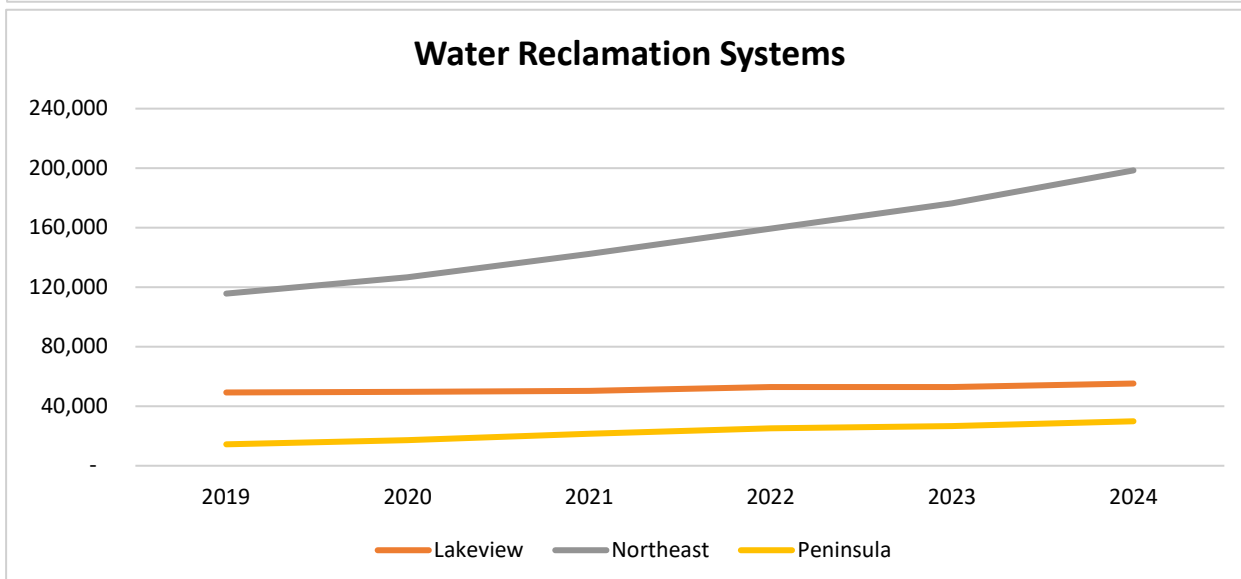
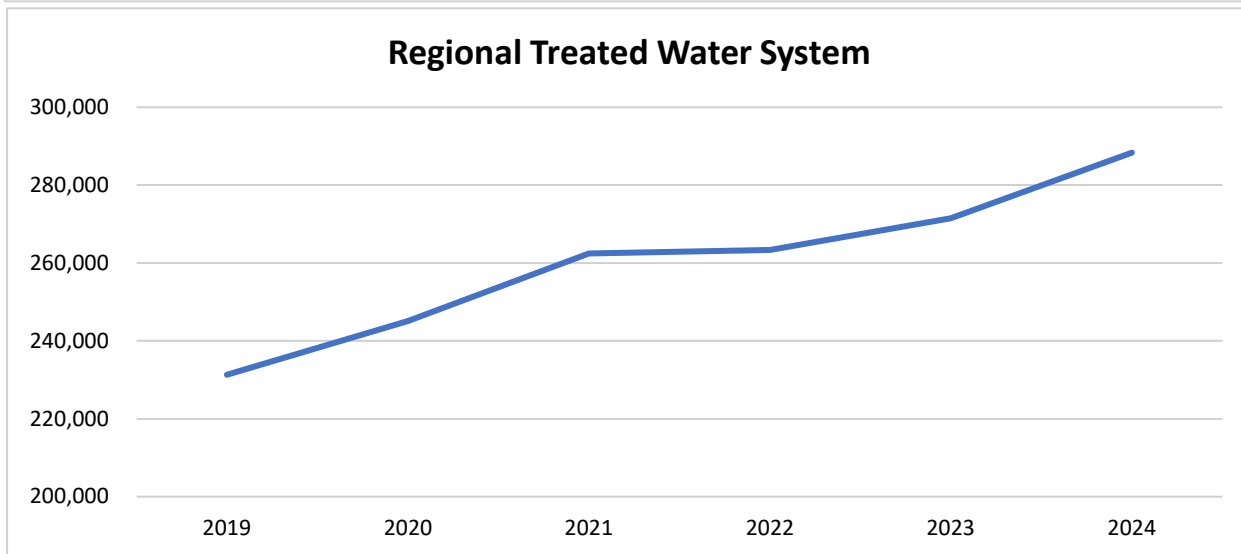
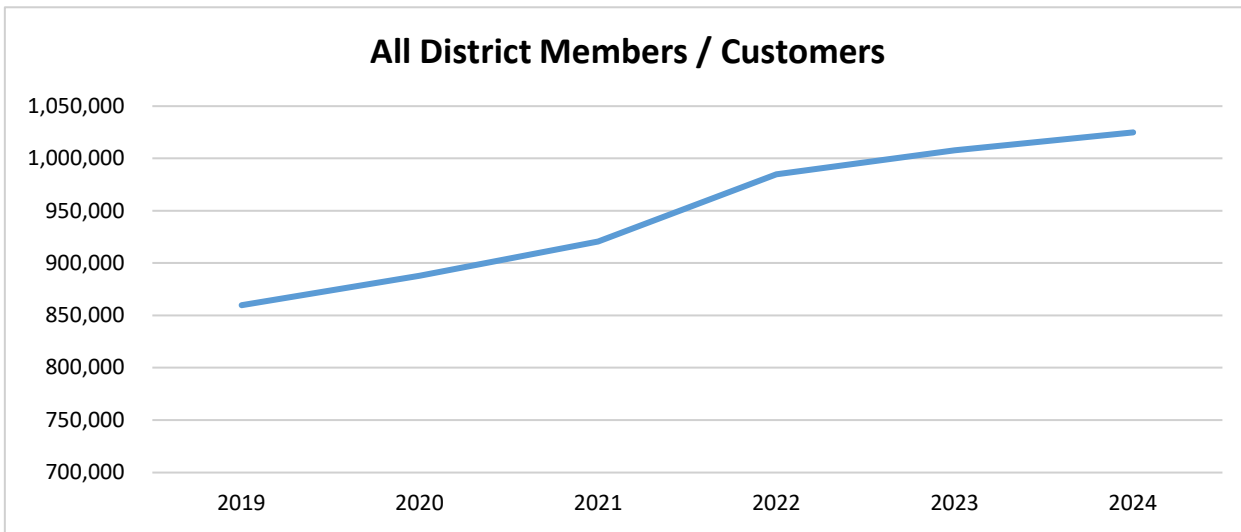
**Blackrock WSC has decided to terminate their contract with the Upper Trinity Regional Water District

Sources:

North Central Texas Council of Governments (NCTCOG)

UTRWD Annual Survey

POPULATION GROWTH



OPERATING INDICATORS BY SYSTEM

SYSTEM	Fiscal Year					
	2019	2020	2021	2022	2023	2024
Regional Treated Water System						
Wholesale Customers Contracted (See Note)	19	19	19	19	19	19
Total Towns, Cities and Others Served (See Note)	29	29	29	29	29	29
Total Customer Delivery Points	27	27	27	27	27	27
Total Yearly Billed Flows (millions of gallons)	10,419	12,042	12,391	15,399	16,343	16,330
Lakeview Regional Water Reclamation System						
Wholesale Customers Contracted (See Note)	6	6	6	6	6	6
Total Towns, Cities and Others Served (See Note)	9	9	9	9	9	9
Customer Points of Entry	10	10	10	10	10	10
Total Yearly Billed Flows (millions of gallons)	1,748	1,705	1,645	1,458	1,582	1,987
Northeast Regional Water Reclamation System						
Wholesale Customers Contracted (See Note)	7	7	7	7	7	7
Total Towns, Cities and Others Served (See Note)	10	10	10	10	11	11
Customer Points of Entry	15	15	15	15	15	16
Total Yearly Billed Flows (millions of gallons)	1,484	1,757	1,812	1,948	2,437	2,938
Peninsula Water Reclamation Plant						
Wholesale Customers Contracted (See Note)	1	1	1	1	1	1
Total Towns, Cities and Others Served (See Note)	2	2	2	2	2	2
Customer Points of Entry	2	2	2	2	2	2
Total Yearly Billed Flows (millions of gallons)	230	271	321	342	406	473

Note: Some contracting parties provide service to more than one town or city

Source: UTRWD Business Department

CAPACITY CONTRACTED BY PARTICIPANTS

Participant	Treated Water		Lakeview Wastewater Treatment		Northeast Wastewater Treatment		Peninsula Wastewater Treatment		Non-Potable Water	
	MGD	%	MGD	%	MGD	%	MGD	%	MGD	%
Argyle Water Supply Corp.	2.00	2.02	-	-	-	-	-	-	-	-
City of Aubrey	0.10	0.10	-	-	-	-	-	-	-	-
Cross Timbers Water Supply Corp.	2.50	2.52	-	-	-	-	-	-	-	-
Town of Bartonville	-	-	0.0378	0.71	-	-	-	-	-	-
City of Celina	10.00	10.09	-	-	1.51000	20.18	-	-	-	-
City of Corinth	7.50	7.57	1.6080	30.18	-	-	-	-	-	-
City of Denton	-	-	(1)	-	-	-	-	-	-	-
Denton County Fresh Water Supply Dist. #7	4.30	4.34	0.8440	15.84	-	-	-	-	-	-
Denton County Fresh Water Supply Dist. #8A	1.87	1.89	-	-	0.45375	6.06	-	-	-	-
Denton County Fresh Water Supply Dist. #11A	3.30	3.33	-	-	0.71575	9.57	-	-	-	-
Elm Ridge (Formerly DCFWSD #10)	1.12	1.13	-	-	0.38600	5.16	-	-	-	-
Town of Double Oak	-	-	0.0080	0.15	-	-	-	-	-	-
Town of Flower Mound	30.00	30.26	-	-	-	-	-	-	-	-
City of Highland Village	3.00	3.03	1.6500	30.96	-	-	-	-	-	-
City of Justin	2.05	2.07	-	-	-	-	-	-	-	-
City of Krum	0.40	0.40	-	-	-	-	-	-	-	-
Lake Cities Municipal Utility Authority	4.00	4.03	1.1810	22.16	-	-	-	-	-	-
Lewisville (Acquired DCFWSD #1A)	4.00	4.03	-	-	-	-	-	-	All	100.00
Mustang Special Utility District	11.50	11.60	-	-	2.74150	36.64	2.000	100.00	-	-
Town of Northlake	8.50	8.57	-	-	-	-	-	-	-	-
Town of Providence Village	2.40	2.42	-	-	0.55000	7.35	-	-	-	-
Town of Prosper	-	-	-	-	1.12500	15.04	-	-	-	-
City of Sanger	0.60	0.61	-	-	-	-	-	-	-	-
Total Subscriptions	99.14	100.00	5.3288	100.00	7.48200	100.00	2.000	100.00	All	100.00

(1) Service is provided via emergency interconnect according to need - no specific capacity

Source: UTRWD Business Department

CAPITAL ASSET (IN SERVICE) STATISTICS BY SYSTEM

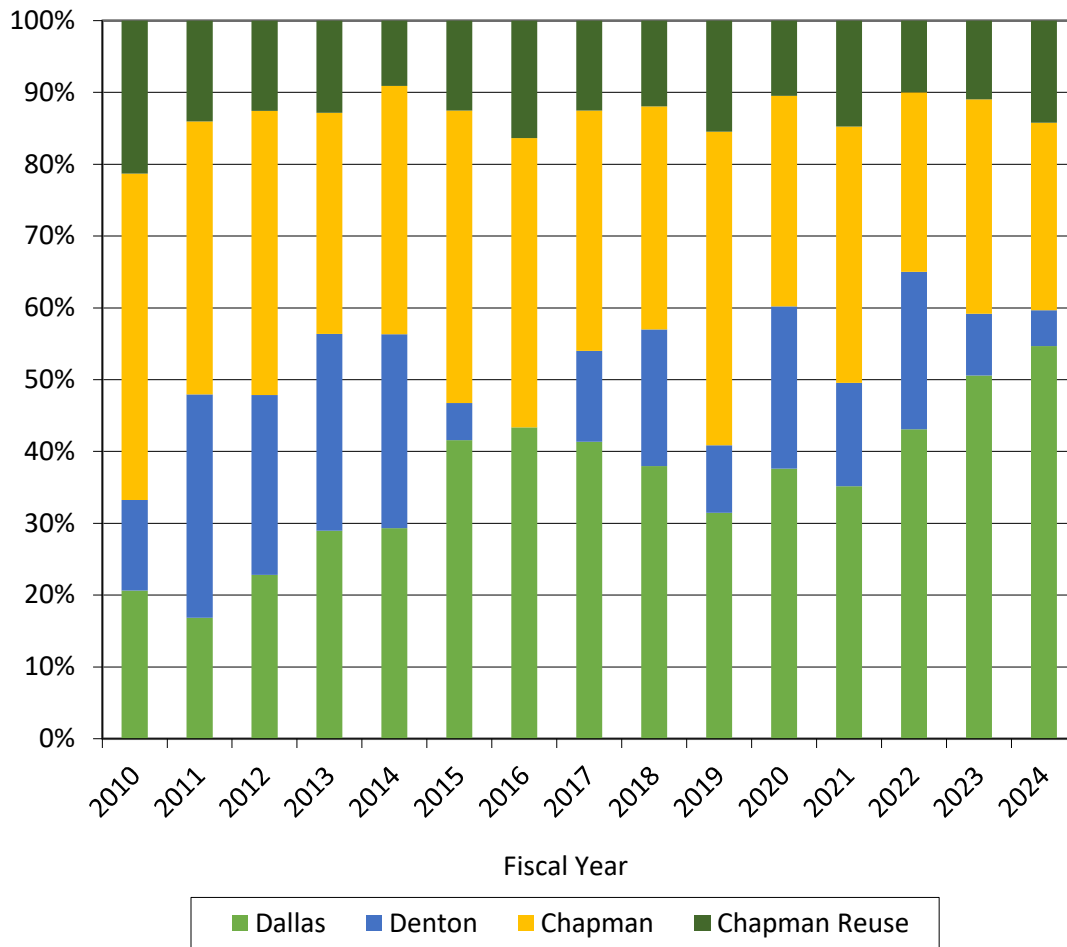
SYSTEM	Fiscal Year					
	2019	2020	2021	2022	2023	2024
<u>Regional Treated Water System</u>						
<u>Taylor Regional Treated Water Plant</u>						
Raw Water Intake Capacity	200 mgd	200 mgd	200 mgd	200 mgd	200 mgd	200 mgd
Water Treatment Plant Capacity	70 mgd	70 mgd	70 mgd	70 mgd	70 mgd	70 mgd
Treated Water Pumping Capacity (est.)	130 mgd	130 mgd	130 mgd	130 mgd	130 mgd	130 mgd
Transmission Pipelines (miles):						
12" to 20"	37.07	37.07	36.81	36.81	31.68	31.68
24" to 36"	43.77	43.77	45.18	47.55	48.02	48.02
42" to 72"	22.65	22.65	24.94	29.94	26.42	26.42
Treated Water Storage Tanks:						
Treatment Plant	4	4	4	4	4	4
Other	6	6	6	6	6	6
<u>Tom Harpool Water Treatment Plant</u>						
Raw Water Intake Capacity	45 mgd	45 mgd	45 mgd	45 mgd	45 mgd	45 mgd
Water Treatment Plant Capacity	20 mgd	24.5 mgd	25 mgd	25 mgd	30 mgd	30 mgd
Treated Water Pumping Capacity (est.)	16 mgd	28 mgd	28 mgd	28 mgd	28 mgd	28 mgd
<u>Lakeview Regional Water Reclamation System</u>						
Water Reclamation Plant Capacity	5.5 mgd	5.5 mgd	5.5 mgd	5.5 mgd	5.5 mgd	5.5 mgd
Interceptor Pipeline (miles):						
8" to 10"	1.25	1.25	1.25	1.25	1.25	1.25
12" to 14"	1.10	1.10	1.10	1.10	1.11	1.11
18" to 20"	7.60	7.60	7.60	7.60	7.60	7.6
24" to 27"	4.76	4.76	4.76	4.76	4.78	4.78
Wastewater Lift Stations	5	5	5	5	5	5
<u>Northeast Regional Water Reclamation System</u>						
Riverbend Water Reclamation Plant Capacity	4.0 mgd	4.0 mgd	4.0 mgd	4.0 mgd	4.0 mgd	4.0 mgd
Doe Branch Water Reclamation Plant Capacity	2.0 mgd	2.0 mgd	2.0 mgd	4.0 mgd	4.0 mgd	4.0 mgd
Interceptor Pipeline (miles):						
8" to 21"	6.54	6.54	6.54	6.54	6.04	6.04
24" to 36"	6.54	6.54	6.54	6.65	6.48	6.48
Wastewater Lift Stations	1	1	1	1	1	1
<u>Peninsula Water Reclamation Plant</u>						
Water Reclamation Plant Capacity	0.94 mgd	0.94 mgd	0.94 mgd	0.94 mgd	2.0 mgd	2.0 mgd
Interceptor Pipeline (miles):						
24" to 36"	0.16	0.16	0.16	0.16	0.16	0.16

Note: mgd is million gallons per day

Source: UTRWD Engineering Department

RAW WATER PURCHASES

Year	Dallas	Denton	Lake Chapman	Lake Chapman Reuse
2010	1,329,068	812,700	2,928,090	1,374,011
2011	1,606,414	2,962,945	3,621,610	1,336,021
2012	1,989,791	2,185,143	3,450,510	1,095,823
2013	2,449,347	2,319,774	2,605,160	1,087,245
2014	2,486,465	2,290,683	2,930,600	772,568
2015	3,803,797	473,021	3,726,550	1,145,329
2016	4,126,720	-	3,832,100	1,558,496
2017	4,248,537	1,300,385	3,439,020	1,288,114
2018	4,412,500	2,214,086	3,611,900	1,388,286
2019	3,409,870	1,020,913	4,733,150	1,676,447
2020	4,653,429	2,795,362	3,628,180	1,294,559
2021	4,484,798	1,834,933	4,551,350	1,880,022
2022	6,965,373	3,545,480	4,043,360	1,618,252
2023	8,635,025	1,473,137	5,097,950	1,869,714
2024	9,288,141	845,428	4,436,170	2,412,244



AWARDS AND HONORS

BUSINESS

Government Finance Officers Association (GFOA)

Certificate of Achievement for Excellence in Financial Reporting, 2000 – 2023 (for Fiscal Year End)

Distinguished Budget Presentation Award, FY 2009 – 2023 (for Fiscal Year Beginning)

Special Capital Recognition, 2014, 2018, 2019, 2021, 2022

PURCHASING

Achievement in Excellence in Procurement Award, 2020

REGIONAL WATER TREATMENT PLANT

American Water Works Association (AWWA)

“Best Tasting Water” for the State of Texas, 2007, April 2012

Texas Water Utilities Association (TWUA)

“Best Tasting Water” for the North Texas Region, May 2012, 2017, 2019

“Best Tasting Surface Water” for the State of Texas, 2008, 2018

Texas Commission on Environmental Quality (TCEQ) Total Coliform Rule Award, 2003 – 2013

TCEQ “Innovative or Proactive Water System” Award, 2015

South Central Membrane Association Outstanding Membrane Plant Award, 2013, 2019

South Central Membrane Association “Best Tasting Water”, 2015, 2019

Association of Metropolitan Water Agencies (AMWA) Gold Award for Exceptional Utility Performance, 2023

LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM

National Association of Clean Water Agencies (NACWA) Platinum Peak Performance Award, 1999-2023 (Platinum 25 years)

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM – RIVERBEND PLANT

WEAT George W. Burke Jr. Award, 2020

WEAT Municipal Wastewater Treatment Plant of the Year – Category 2 (1-15 MGD), 2019

WEF Safety Award, 2020

NACWA Platinum Peak Performance Award, 2008-2023 (Platinum 16 years)

NACWA Environmental Achievement Award, 2020

NORTHEAST REGIONAL WATER RECLAMATION SYSTEM – DOE BRANCH PLANT

NACWA Gold Peak Performance Award, 2016-2023 (Platinum 8 years)

WEAT Municipal Wastewater Treatment Plant of the Year Award, 2024

PENINSULA WATER RECLAMATION PLANT

Water Environment Association of Texas (WEAT)

Municipal Wastewater Treatment Plant of the Year – Category 1 (<1 MGD), 2010

NACWA Platinum Peak Performance Award, 2003-2023 (Platinum 20 years)

WEAT Municipal Wastewater Treatment Plant of the Year Award, 2024

WATER / WATER CONSERVATION:

NACWA Excellence in Management – Platinum Award, 2020

NACWA Excellence in Management – Silver Award, 2019

NACWA National Environment Achievement Award, 2014

WEAT Exemplary Employer Award, 2024

WEF Utility of the Future Today (UotFT) Recognition, 2024

COMMUNICATIONS / OUTREACH

American Water Works Association – Texas Section (TAWWA) Texas Water Watermark Award for Multimedia, 2023

PERSONAL AWARDS:

Water Environment Association of Texas (WEAT)

Lifetime Achievement Award – Larry N. Patterson, 2014

Outstanding Operator of the Year – Joe Thompson, 2013

Arthur Sidney Bedell Award – Jody Zabolio, 2013

Texas Shootout Award – James Rogers, 2013

William D. Hatfield Award – Ben Hodges, 2016

Pillars of the Profession – Larry N. Patterson, 2020

Bill Tatum Operations Excellence Award – Steven McHenry, 2024

Emerging Leader Award – Kaylee Waldo, 2024

WEAT Workforce Development Award – Ben Hodges, 2024

WEAT Winfield S. Mahlie Award – Jody Zabolio, 2024

Water Environment Federation (WEF) William D. Hatfield Award – Jody Zabolio, 2023

South Central Membrane Association (SCMA) Outstanding Plant Operator Award – Jeff Mlak, 2023

NACWA President’s Award – Larry N. Patterson, 2015

Distinguished Graduate of the Zachry Department of Civil & Environmental Engineering at Texas A&M University – Larry N. Patterson, 2023



RESOLUTION

RESOLUTION # 2024 – 23

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING WHOLESALE WATER RATES FOR PARTICIPATING MEMBERS AND CUSTOMERS OF THE REGIONAL TREATED WATER SYSTEM.

WHEREAS, the District, pursuant to participation contracts, provides wholesale treated water service for Members and Customers participating in the Regional Treated Water System; and,

WHEREAS, the District may enter into contracts for wholesale service with other Members and Customers in the future; and,

WHEREAS, the District desires that Participating Members and Customers maintain usage that will protect the Regional Treated Water System and generate an efficient load factor year around; and

WHEREAS, under guidelines promoted by State regulatory agencies, the District and its wholesale customers are expected to have rate structures that encourage conservation of water; and,

WHEREAS, each participant in the Regional Treated Water System is responsible for their pro-rata share of costs; and,

WHEREAS, as used in this Resolution, the term "Water Year" refers to the annual period from June 1 to May 31 of each year; and,

WHEREAS, the District's staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the District bills for Demand based on subscribed (contracted) capacity, or actual experience or need, whichever is greater, in accordance with provisions of water contracts. Demand may increase and be billed in increments of 100,000 gallons during the year. Initial subscriptions for new participants typically are based on estimated Demands over a three to five-year period. Increases in Demand requested during the Water Year may require retroactive payment of Demand charges for the amount being requested back to the beginning of the Water Year; and,

WHEREAS, the Executive Director recommends adoption of the following rates for wholesale water services of the System.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following rates for wholesale water service provided to participants in the Regional Treated Water System:

Member Volume Charge: \$1.56 per 1,000 gallons of water delivered and metered.
Customer Volume Charge: \$1.67 per 1,000 gallons of water delivered and metered.
Demand Charge: \$539,435 per year, per million gallons per day (mgd) of contracted Demand, pro-rated on a monthly basis (based on actual experienced or needed Demand or subscribed capacity, whichever is greater).

SECTION 2. That, except as otherwise provided, the Board of Directors does hereby adopt the following optional wholesale water rate (flat rate) for Member entities contracted for 0.50 mgd or less of capacity, or for others requiring temporary water for construction or other purposes.

Volume Charge: \$5.84 per 1,000 gallons of water delivered and metered.

SECTION 3. That for every Water Year, each participant in the Regional Treated Water System shall be responsible for payment of a minimum daily volume of water from the System equal to eighteen percent (18%) of the highest peak Demand actually taken from the System over the preceding five (5) Water Years.

SECTION 4. That the Executive Director is hereby authorized to establish temporary minimum flow requirements for specific pipelines if the Executive Director determines such to be reasonable and necessary to maintain water quality requirements or to comply with State or Federal Water Quality Standards.

SECTION 5. That the rates and provisions set forth in Sections 1 through 4 shall become effective October 1, 2024, and shall remain in effect through September 30, 2025, or until revised by the Board of Directors.

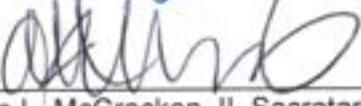
SECTION 6. That such other fees and charges which the Board of Directors may establish from time to time for participation in the Regional Treated Water System, for participation in other projects, and for the cost of Administration and Planning shall apply, in addition to the rates, fees and charges established in this Resolution.

SECTION 7. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended: 
Larry N. Patterson, Executive Director

Executed: 
Clay M. Riggs, President

Attest: 
Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 24

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING RATES FOR WHOLESALE WASTEWATER TREATMENT SERVICES PROVIDED BY THE DISTRICT TO PARTICIPATING MEMBERS OF THE LAKEVIEW REGIONAL WATER RECLAMATION SYSTEM.

WHEREAS, the District, pursuant to participation contracts, provides wholesale wastewater treatment service for Members participating in the Lakeview Regional Water Reclamation System; and,

WHEREAS, each participant in the System is responsible for a pro-rata share of System costs; and,

WHEREAS, each participant of the System will be charged a monthly Excess Flow Surcharge for each 1,000 gallons of wastewater flows in excess of their monthly contracted capacity in the System, with all surcharge revenues being transferred to the O&M Reserve on a monthly basis; and,

WHEREAS, the District's staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the Executive Director recommends adoption of rates for wholesale wastewater treatment services of the System.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following rates for wholesale wastewater treatment service provided to participants in the Lakeview Regional Water Reclamation System:

Treatment/Transportation Rate:	\$1.37 per 1,000 gallons
Excess Flow Surcharge (Member or Customer):	\$0.39 per 1,000 gallons
Fixed O&M Charge:	\$473,900 per million gallons per day (mgd).
Facilities Capital Charge:	Joint and Individual Capital Charges are combined and identified below by individual entity.

Capital Charges for Joint/Individual Facilities:

Bartonville	\$15,500
Corinth	\$514,515
Denton County FWSD #7	\$686,385
Double Oak	\$11,800
Highland Village	\$650,205
Lake Cities MUA	\$358,280

SECTION 2. That should the Biochemical Oxygen Demand (BOD) or Total Suspended Solids (TSS) delivered by any participant to the System exceed 250 mg/l, the following surcharges will apply in addition to the rates set forth in Section 1:

Biochemical Oxygen Demand Surcharge: \$0.007 x (BOD-250) per 1,000 gallons
Total Suspended Solids Surcharge: \$0.005 x (TSS-250) per 1,000 gallons

SECTION 3. That Lake Cities Municipal Utility Authority will be given a credit on their flows delivered directly to the Plant at the estimated transportation cost of \$0.11 per 1,000 gallons. Individual transportation charges between Double Oak & Highland Village, between Bartonville & DCFWSD #7, and between Corinth & DCFWSD #7 are established pursuant to respective contracts.

SECTION 4. That the rates and charges set forth in Sections 1 and 2 shall become effective October 1, 2024, and shall remain in effect until September 30, 2025, or until revised by the Board of Directors.

SECTION 5. That such other fees and charges which the Board of Directors may establish from time to time for participation in the Lakeview Regional Water Reclamation System, for participation in other projects, and for the cost of Administration and Planning shall apply in addition to the rates and charges established in this Resolution.

SECTION 6. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended:



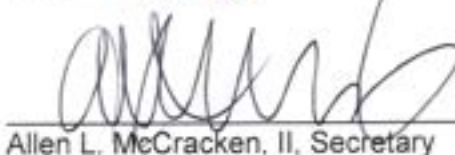
Larry N. Patterson, Executive Director

Executed:



Clay M. Riggs, President

Attest:



Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 25

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING RATES FOR WHOLESALE WASTEWATER TREATMENT SERVICES PROVIDED BY THE DISTRICT FOR PARTICIPATING MEMBERS AND CUSTOMERS OF THE NORTHEAST REGIONAL WATER RECLAMATION SYSTEM.

WHEREAS, the District, pursuant to participation contracts, provides wholesale wastewater treatment service for Members and Customers participating in the Northeast Regional Water Reclamation System; and,

WHEREAS, each participant in the System is responsible for a pro-rata share of System costs; and,

WHEREAS, the participants of the Doe Branch Water Reclamation Plant will be charged a monthly Excess Flow Surcharge for each 1,000 gallons of wastewater flows in excess of their monthly contracted capacity in the System, with all surcharge revenues being transferred to the O&M Reserve on a monthly basis; and,

WHEREAS, the District's staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the Executive Director recommends the adoption of rates for wholesale wastewater treatment services of the System.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following rates for wholesale wastewater treatment services provided to Members and Customers in the Northeast Regional Water Reclamation System:

Treatment Rate (Member):	\$1.44 per 1,000 gallons
Treatment Rate (Customer):	\$1.55 per 1,000 gallons
Excess Flow Surcharge (Member or Customer)	\$0.56 per 1,000 gallons
Fixed O&M Costs:	\$656,300 per year per million gallons per day (mgd).

Capital Charges for Joint/Individual Facilities:

Riverbend:

Denton County FWSD #8A	\$346,930
Denton County FWSD #11A	\$603,205
Elm Ridge WCID	\$12,290
Mustang SUD	\$1,732,760
Providence Village	\$849,185

Doe Branch:

Celina	\$3,007,440
Prosper	\$147,265

SECTION 2. That should the Biochemical Oxygen Demand (BOD) or Total Suspended Solids (TSS) delivered by any participant to the Plant exceed 250 mg/l, the following surcharges will apply in addition to the rates set forth in Section 1:

Biochemical Oxygen Demand Surcharge:	\$0.007 x (BOD-250) per 1,000 gallons
Total Suspended Solids Surcharge:	\$0.005 x (TSS-250) per 1,000 gallons

SECTION 3. That the rates and charges set forth in Sections 1 and 2 shall become effective October 1, 2024, and shall remain in effect until September 30, 2025, or until revised by the Board of Directors.

SECTION 4. That such other fees and charges which the Board of Directors may establish from time to time for participation in the Northeast Regional Water Reclamation System, for participation in other projects, and for the cost of Administration and Planning shall apply in addition to the rates and charges established in this Resolution.

SECTION 5. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended: Larry N. Patterson
Larry N. Patterson, Executive Director

Executed: Clay Riggs
Clay M. Riggs, President

Attest: Allen L. McCracken, II
Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 26

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING RATES FOR WHOLESALE WASTEWATER TREATMENT SERVICES PROVIDED BY THE DISTRICT FOR PARTICIPATING MEMBER(S) OF THE PENINSULA WATER RECLAMATION PLANT.

WHEREAS, the District, pursuant to participation contracts, provides wholesale wastewater treatment service to Member(s) participating in the Peninsula Water Reclamation Plant; and,

WHEREAS, the Mustang Special Utility District is the sole participant in the Plant and is responsible for the costs; and,

WHEREAS, the District's staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the Executive Director recommends the adoption of rates for wholesale wastewater treatment services of the Plant.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following rates for wholesale wastewater treatment services provided to Mustang Special Utility District in the Peninsula Water Reclamation Plant:

Treatment Rate (Member):	\$1.65 per 1,000 gallons
Fixed O&M Costs:	\$702,200 per year per million gallons per day (mgd) of contracted capacity in the Plant, billed on a monthly basis.
Capital Charge for Facilities:	\$74,745

SECTION 2. That should the Biochemical Oxygen Demand (BOD) or Total Suspended Solids (TSS) delivered by any participant to the plant exceed 250 mg/l, the following surcharges will apply in addition to the rates set forth in Section 1:

Biochemical Oxygen Demand Surcharge:	\$0.007 x (BOD-250) per 1,000 gallons
Total Suspended Solids Surcharge:	\$0.005 x (TSS-250) per 1,000 gallons

SECTION 3. That the rates and charges set forth in Sections 1 and 2 shall become effective October 1, 2024, and shall remain in effect until September 30, 2025, or until revised by the Board of Directors.

SECTION 4. That such other fees and charges which the Board of Directors may establish from time to time for participation in the Peninsula Water Reclamation Plant, for participation in other projects, and for the cost of Administration and Planning shall apply in addition to the rates and charges established in this Resolution.

SECTION 5. That this Resolution shall become effective immediately upon its passage.


DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended:



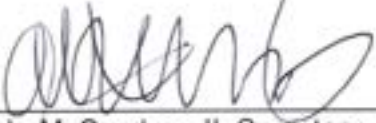
Larry N. Patterson, Executive Director

Executed:



Clay M. Riggs, President

Attest:



Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 27

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING RATES FOR NON-POTABLE WATER SERVICE.

WHEREAS, the District, pursuant to participation contracts, provides non-potable water service to the City of Lewisville; and,

WHEREAS, until other customers are added, the City of Lewisville is responsible for all costs of the facilities devoted to non-potable water service for the City of Lewisville; and,

WHEREAS, the District's staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the Executive Director recommends the adoption of revised rates for non-potable water service.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following non-potable water rates for service provided to the City of Lewisville:

Treated Effluent Volume Charge:	\$0.53 per 1,000 gallons of water delivered and metered
Raw Water Volume Charge:	\$1.27 per 1,000 gallons of water delivered and metered
Demand Charge	\$125,000 per year, billed on a monthly basis

SECTION 2. That the rates set forth in Section 1 shall become effective October 1, 2024, and shall remain in effect through September 30, 2025, or until revised by the Board of Directors.

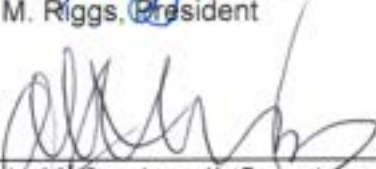
SECTION 3. That such other fees and charges which the Board of Directors may establish from time to time for participation in the Non-Potable Water System, for participation in other projects, and for the cost of Administration and Planning shall apply in addition to the rates, fees, and charges established in this Resolution.

SECTION 4. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended: 
Larry N. Patterson, Executive Director

Executed: 
Clay M. Riggs, President

Attest: 
Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 28

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT ESTABLISHING RATES FOR COLLECTION AND DISPOSAL OF HOUSEHOLD HAZARDOUS WASTE.

WHEREAS, the District, pursuant to participation contracts, provides collection and disposal services for participants in the Household Hazardous Waste Program; and,

WHEREAS, the District’s staff has evaluated the budgets for FY 2024 – 2025 to determine current estimates of costs for FY 2024 – 2025; and,

WHEREAS, the Executive Director recommends the adoption of rates for the Household Hazardous Waste Program.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors does hereby adopt the following rates for collection and disposal of household hazardous wastes pursuant to contracts with Participating Entities. Individual vouchers may be purchased from the District or from the Participating Entity pursuant to rules established by District:

Event Collection and Disposal:	\$132.00 per household – Participating Entities
Event Voucher:	\$132.00 per household – Citizen delivers to a scheduled Event
Fort Worth Voucher:	\$110.00 per household – Citizen delivers to the Fort Worth Environmental Site

SECTION 2. That the rates and charges set forth in Section 1 shall become effective October 1, 2024, and shall remain in effect until September 30, 2025, or until revised by the Board of Directors.

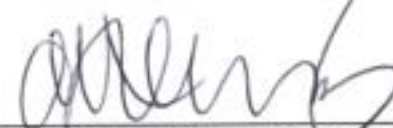
SECTION 3. That such other fees and charges which the Board of Directors may establish from time to time for participation in the program, and for the cost of Administration and Planning shall apply in addition to the rates and charges established in this Resolution.

SECTION 4. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended: 
Larry N. Patterson, Executive Director

Executed: 
Clay M. Riggs, President

Attest: 
Allen L. McCracken, II, Secretary



RESOLUTION

RESOLUTION # 2024 – 29

A RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER TRINITY REGIONAL WATER DISTRICT APPROVING AND ADOPTING THE ANNUAL OPERATING AND CAPITAL BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025.

WHEREAS, for FY 2024 – 2025, Staff has proposed an Operating Budget totaling \$103,527,375 encompassing the Administration Fund, Regional Treated Water System Fund, Lakeview Regional Water Reclamation System Fund, Northeast Regional Water Reclamation System Fund, Peninsula Water Reclamation Plant Fund, Non-Potable Water System Fund, Maintenance Fund, Information Technology Fund, and the Household Hazardous Waste Fund; and,

WHEREAS, Staff has compiled a proposed Capital Budget which totals \$488,085,920 to provide necessary funding for projects in the following capital funds: Regional Treated Water System Fund, Lakeview Regional Water Reclamation System Fund, Northeast Regional Water Reclamation System Fund, Peninsula Water Reclamation Plant Fund and Non-Potable Water System – plus the Growth Program Fund and Project Development Fund for \$56,630; and,

WHEREAS, the Upper Trinity Conservation Trust Budget is recommended at \$39,925; and,

WHEREAS, the Executive Director recommends approval of the Budgets as proposed by Staff.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That the Board of Directors hereby approves and adopts the Operating and Capital Budgets and approves the Upper Trinity Conservation Trust Budget for FY 2024 – 2025 for all purposes provided therein.

SECTION 2. That the Board of Directors hereby approves and/or adopts said budgets as recommended by Staff, with modification, if any, as may be incorporated by the Board.

SECTION 3. That the Operating and Capital Budgets shall become effective October 1, 2024 for the Fiscal Year ending September 30, 2025.

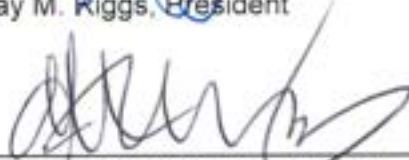
SECTION 4. That any remaining balance at the end of FY 2023 – 2024 in appropriations for capital projects are hereby re-appropriated for continued use for those same respective projects in FY 2024 – 2025.

SECTION 5. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 5TH DAY OF SEPTEMBER 2024.

Recommended: 
Larry N. Patterson, Executive Director

Executed: 
Clay M. Riggs, President

Attest: 
Allen L. McCracken, II, Secretary

GLOSSARY OF TERMS

A

ABTCR – An acronym for Additional Bonds Test Coverage Ratio. The ratio of annual Net Revenues (from all sources) divided by Average Annual Debt Service

Account – A record of a business transaction of money received or paid.

Accrual Basis of Accounting – A basis of accounting under which increases and decreases in economic resources are recognized as soon as the underlying event or transaction occurs. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

Accrual – The recognition of a revenue or expense in a budget year even though the actual cash may not be received or paid until the following budget year.

ACFR – An acronym for Annual Comprehensive Financial Report which is a set of U.S. government financial statements comprising the financial report of a state, municipal, or other governmental entity that complies with accounting requirements promulgated by the Governmental Accounting Standards Board (GASB) and is comprised of three sections: Introductory, Financial, and Statistical and combines the financial information of fund accounting and enterprise authorities accounting.

Acre-foot of Water – The volume of water that covers one acre to a depth of one foot; 43,560 cubic feet; 1,233.5 cubic meters; 325,872 gallons.

Actual – The final audited revenue/expenditure results of operations for the fiscal year indicated.

Adjustment for Accrued Expenditures – The adjustment necessary to align the Ending Balance on a cash basis vs. accrual basis used by accounting.

Adoption – Formal action by the Board of Directors which sets the spending limits for the fiscal year.

Arbitrage – The gain that may be realized by borrowing funds at tax-exempt rates and investing those funds at taxable rates.

Assets – Resources owned or held by the District which have monetary value.

Audit – An examination of the books and records of the District to determine financial status and results of operations (excess or loss).

Average Annual Debt Service – At the time of calculation (after the reporting year), the sum of the Annual Debt Service for the remaining years of outstanding Senior Lien Debt issues to the last scheduled maturity of the bonds divided by the number of those years.

B

Balance Sheet – A statement showing the financial position at a given time, disclosing assets, liabilities and fund balances.

Balanced Budget – A budget in which revenues are sufficient to meet all expenditure and debt service requirements.

Basin – A shallow depression or tank through which liquids may be passed or in which they are detained for treatment or storage.

Basis Point – One-hundredth of a percentage point (i.e., the difference between interest rates of 10.5% and 10.0% is 50 basis points).

Benefits – Consist of employee benefits directly related to salary allocation.

Biosolids – The nutrient-rich organic materials resulting from the treatment of domestic sewage in a wastewater treatment facility. This organic material (sludge) that has been treated to reduce pathogens, organics, and odors, forms a reusable agricultural product.

Board of Directors – The District is governed by a Board, the members of which are appointed by the governing bodies of Members and by the County. The Board sets policy and provides overall leadership for District including the mission, goals, priorities and resource allocation.

Bond – A written promise to pay a specific amount of money (called the principal) with interest within a specific time period, usually long-term. In the budget document, these payments are identified as debt service.

Bond Counsel – An attorney who prepares the legal opinion concerning a bond issue.

Bond Issuance Costs – The costs incurred by the bond issuer during the planning, marketing and sale of a bond issue.

Bonds Issued – Bonds that are sold.

Budget – A balanced financial plan for a given period of time, which includes appropriations and rate and fee resolutions for the various sources of revenue which finance the various funds. The budget is not only a financial plan; it also services as a policy guide, as an operations guide and as a communications medium.

Budget Adjustment – Adjust current base budget figures for a given account from available cash.

Budget Calendar – The schedule of key dates or milestones which the District follows in the preparation, adoption, and administration of the budget.

C

Capacity – The ability of available water / wastewater utility resources to meet the quantity, quality, and peak loads of the various customers or members served.

Capital Equipment (Assets) – Fixed assets such as vehicles, computers, furniture, technical instruments, etc., which have a life expectancy greater than one year and a cost of \$5,000 or greater.

Capital Improvement Program – A long-range plan of the District for the construction, rehabilitation and modernization of District-owned and operated infrastructure and facilities.

Capital Project – A project requiring relatively large expenditures to acquire, develop, improve, and/or maintain a capital asset (such as land, buildings, dykes, roads).

Capitalized Interest – Funds provided from the proceeds of a bond issue to cover interest payments until revenue sources to repay debt are available.

Carryforward– The term used to denote amounts which were expected to be expended during one fiscal year on a contract, or obligation or purchase but were not expended for various reasons. Amounts are “carried over” into the subsequent fiscal year.

Cash Basis of Accounting – A basis of accounting that recognizes revenues and expenses at the time cash is received or paid out. This contrasts with accrual accounting, which recognizes income at the time the revenue is earned and records expenses when liabilities are incurred regardless of when cash is received or paid.

CBD CR – An acronym for Cash Basis Debt Coverage Ratio. The ratio of annual Net Operating Revenues divided by Net Annual Debt Service (net of Capitalized Interest) actually paid.

Cash Flows – The movement of cash in and out of the District from day-to-day activities.

Clean Water Act – Legislation passed by the U.S. Congress designed to control water pollution.

Collection System – A system of underground conduits/sewers collecting wastewater from a source and conveying it to the treatment facility.

Commercial Paper – Short-term (usually less than 270 days) notes issued by the District to provide interim financing of its capital improvement program. Commercial paper typically carries lower interest rates than long-term debt and is issued on a subordinate basis.

Constant Maturity Securities – Fixed financial instruments having a quoted yield that compares the instrument to other fixed financial instruments of different maturities. This allows the investor to compare various securities to each other, provided that they have the same maturity date.

Contributions – The transfer, promise or pledge of money, credit, property, financial assistance of any kind or value in response to a solicitation.

Current Assets – Cash plus assets that are expected to be converted to cash, sold or consumed during the next 12 months or as a part of the normal operating cycle.

Current Liabilities – Obligations that will become due within the next year or within the normal operating cycle.

Customers – Any non-member wholesale user of the services provided by the District which provides retail utility service within its boundaries.

D

DCFWS D – An acronym for Denton County Fresh Water Supply District (see “Fresh Water Supply District”), various Districts that help provide water to different areas of Denton County.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Debt Coverage Ratio – A ratio that expresses the relationship of total net revenue to existing debt.

Debt Service – The payment of principal and interest on any short-term and long-term debt.

Debt Service Requirements – The amount of money required to pay interest and principal on outstanding debt.

Demand – The amount of flow expressed in MGD mutually established by Member and District that is or may be taken by Member within a Water Year.

Depreciation – A method of allocating the cost of a tangible asset over its useful life.

Design Capacity – The maximum rate of flow which a treatment plant is capable of treating, on a long-term basis, to continuously attain required water or effluent quality.

Dewatering – Water removal or concentration of solids by filtration, centrifugation, or drying.

E

Easement – An acquired legal right to the use of land owned by others.

Effluent – The resulting end product of the wastewater treatment process.

Elevated tank – A tank used for storage in a water distribution system, which is raised above the surface of the ground.

Encumbrance – Obligations incurred in the form of purchase orders, contracts and similar items that will become payable when goods are delivered, or services rendered.

Ending Balance (Operating Cash) – The total amount of cash available to a business for its daily operations, investments, and other financial activities. This balance also includes the Interest and Sinking Reserve Fund balance.

Enterprise Fund – A fund established to account for the operation of self-supporting enterprises.

Equity – The net value of an asset or business (i.e., assets minus liabilities).

Expenditures – A decrease in net financial resources, actual payment for goods and services received.

F

Financial Advisor – Provides expertise to the debt issuer in matters of financial activities, the marketing and sale of debt and the preparation of required disclosure statements.

Financial Statement – A set of summary documents which pertain to financial information that consist of the following: Balance Sheet or Combining Schedule of Net Assets, Income Statement or Combining Schedule of Revenues and Expenses, Statement of Cash Flows, Notes of Financial Statements and, in the District's case, various Supplements, Schedules, etc.

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The District's fiscal year is October 1 through September 30.

Fixed Assets – Long-term tangible assets that have a normal use expectancy of more than one year and do not lose their individual identity through use. Fixed assets include primarily buildings, equipment, and land.

Fixed O&M Costs – Operating and maintenance expenses charged to the project participants which do not vary with the amount of water delivered to the project participant.

Fixed Capital Project Costs – Capital costs, including debt service, reserves for the payment of debt service and other payments under the bond resolution which do not vary with the amount of water delivered or wastewater treated to the project members/customers.

Flow – The actual amount of water flowing by a particular point over some specified time. Flow is frequently expressed in millions of gallons per day (MGD).

FWSD – An acronym for Fresh Water Supply District. Is a district created to provide and distribute water for domestic and commercial use. The districts are organized on much the same basis as the water improvement districts and have no limitation on bonds or taxation.

FTE – An acronym for Full Time Equivalent. Full-time employees work 40 hours per week and are eligible for full benefits.

Fund – A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance – The cumulative difference of all revenues and all expenditures of the fund from the time the District was established. Fund balance is also considered to be the difference between fund assets and fund liabilities.

G

General Revenue Bonds – Bonds which are obligations of the issuer on which revenues received from operations are pledged for the payment of the principal and interest thereon.

GAAP – An acronym for Generally Accepted Accounting Principles. Uniform minimum standards of, and guidelines for, external financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations. The primary authoritative statement on the application of GAAP to state and local governments is Government Accounting Standards Board (GASB) pronouncements.

GIS – An acronym for Geographic Information System. An organized collection of computer hardware, software and geographic data designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced information.

Goals – General statements of desired state, condition, or situation to be achieved, which may be viewed from a short- or long-term perspective.

GASB – An acronym for Governmental Accounting Standards Board. Their mission is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports.

GFOA – An acronym for Governmental Finance Officers of America. Their purpose is to enhance and promote the professional management of governments for the public benefit. The GFOA accomplishes this mission by identifying and developing financial policies and practices and promoting them through education, training and leadership.

Groundwater – Water produced by pumping from underground.

H

Household Hazardous Waste – Common materials in your home such as cleaning products, paint, paint thinner, aerosol cans and lawn fertilizers that can pollute the water in area creeks and lakes if not disposed of properly.

I

Independent Auditor – External public accounting firm hired to audit the annual financial statements and express an opinion on those statements as to conformity with generally accepted accounting principles.

Infiltration/Inflow – Infiltration is groundwater that leaks into the sewerage system through pipe joints and defects. Inflow refers to water that enters sewers from improperly connected catch basins, sump pumps, and defective manholes.

Influent – Wastewater or other liquid flowing into a reservoir, basin or treatment plant.

Infrastructure – District owned capital assets that provide services to the members/customers.

Interceptors – Large pipes that intercept the wastewater from smaller and or local sewers to one of the District's wastewater treatment plants.

Interest Income – Income derived by investing a certain fund balance in interest-yielding securities in compliance with the provisions of the District's Investment Policy.

Internal Control – Methods and procedures that are primarily concerned with the authorization of transactions, safeguarding of assets, and accuracy of financial records.

Inventories – Items held for future use.

J

Junior Lien Debt – Borrowing that occurs after a first lien is already in place. It subsequently refers to the ranking of the debt in the event of a bankruptcy and liquidation as coming after senior lien debt is fully repaid.

K

L

LCMUA – An acronym for Lake Cities Municipal Utility Authority, a water and wastewater member of the District.

Liabilities – Obligations incurred in past or current transactions requiring present or future settlement.

Line items – Expenditure classifications established to account for and budget the appropriations approved.

Liquidity – The ability to convert an asset to cash.

Local Government Investment Pool – a state or local government pool offered to public entities for the investment of public funds and that offers safety and a competitive yield.

Long-Term Debt – Debt with a maturity of more than one year after the date of issuance.

LRWRS – An acronym for Lakeview Regional Water Reclamation System.

M

Maintenance – The upkeep necessary for efficient operation of physical properties. It involves labor and materials but is not to be confused with replacement or retirement.

Members – An entity that contracts with the District for wholesale service.

Membranes – Engineers classify membranes in many different ways, including describing them to be used for separating materials in water treatment, the membranes most widely used are broadly described as pressure driven.

Meter – An instrument for measuring the flow of water/wastewater.

MGD – An acronym for Million Gallons per Day. Used in measuring volume of water and wastewater flow.

Mid-Year Review – Midway through the fiscal year the current year budget is evaluated based on spending to date and current projections. The primary areas reviewed and analyzed are year-to-date expenditure and revenue status plus expenditure and revenue projections for the remainder of the year and data to support recommendations for budget adjustments.

Modified Accrual Basis of Accounting – A basis of accounting that combines cash basis and accrual basis of accounting. It requires recording revenues when they are available and measurable, and expenditures when liabilities are incurred, except for some short-term events that are recorded on a cash basis. Modified Accrual accounting was created by the Government Accounting Standards Board (GASB) and is commonly used by government agencies.

N

NACWA – An acronym for National Association of Clean Water Agencies, a dynamic national organization, involved in all facets of water quality protection, represents the collective interest of America's clean water utilities, and is the leading advocate for responsible national policies that advance clean water.

NERWRS – An acronym for Northeast Regional Water Reclamation System, the system includes the Riverbend Water Reclamation Plant and the Doe Branch Plant.

Net Present Value – A mathematical formula used to measure the expected return on investments by calculating how much money needs to be invested today to result in a certain sum at a future time.

Non-Bond Capital Reserve – A reserve fund used to account for deposits earmarked to provide funding for the capital improvement program.

NPWS – An acronym for Non-Potable Water Supply, a water supply that is not treated to drinking water standards and is not meant for human consumption.

NCTCOG – An acronym for North Central Texas Council of Governments. The North Central Texas Council of Governments is a voluntary association of, by and for local governments, established to assist in regional planning. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions.

O

O&M – An acronym for Operations and Maintenance, relates to the day-to-day operations of the District.

Objective – A statement of purpose defined more specifically than goals, defining the result-oriented activities necessary to achieve a stated goal.

Obligation – Amounts which the District may be legally required to meet out of its resources and includes not only actual liabilities, but also encumbrances not yet paid.

Operating Expense – All costs required for the daily operation of the District necessary to provide services and maintain the systems in good operating condition that are not considered capital improvements or debt repayments. These expenses are separated into fixed and variable costs for purposes of structuring rates.

Operating Reserves – an unrestricted fund balance set aside to provide a cushion against future expenses or losses.

P

Performance Measure – Performance measures quantify how well or how poorly an alternative has met a specific objective. Good performance measures are quantifiable, have a specific target, indicate when a target has been reached, and measure the degree to which the goal has been met.

Point(s) of Delivery – The point designated in a contract where treated water will be delivered from the System.

Potable Water – Water that is safe for human consumption.

Pro - Rata – In proportion to, as determined by a specific factor.

Projected – An estimate of revenues or expenditures based on past trends, the present economic situation and future financial forecasts.

Pump Station – Structure containing pumps and accessory piping, valves and other mechanical and electrical equipment for pumping water, wastewater or other liquids.

Q

R

Raw Water – Water obtained from natural sources such as streams or reservoirs.

Reclaimed Water – Water that has received at least secondary treatment and basic disinfection and is reused after flowing out of a domestic wastewater treatment facility.

Reconciliation – The process of analyzing two related records and, if differences exist between them, finding the cause and bringing the two records into agreement. A common example of reconciliation is the comparison of an up-to-date checkbook with a monthly statement from the financial institution holding the account.

Refunding Bonds – Bonds issued to retire bonds that are already outstanding.

Reimbursements – Payment made to someone for out-of-pocket expenses incurred.

Reserves – An account used to indicate that a portion of a fund's assets are restricted for a specific purpose.

Reservoir – A pond, lake, or basin, either natural or man-made, for the collection, storage, regulation and control of water.

Resolution – A special or temporary order approved by the District's Board of Directors.

Reuse – The deliberate application of reclaimed water for a beneficial purpose.

Revenue – An inflow of assets, not necessarily in cash, in exchange for services.

Revenue Bonds – A particular kind of bond in which the revenue to pay back the bond and interest comes from the project that the borrowed money was used to create, expand, or improve.

Right of Way – A legal right of passage over another person's ground.

Riparian Zones – The part of the watershed immediately adjacent to the stream channel.

Risk Management – A coordinated effort to minimize costs – typically where insurance policies are purchased to manage the District’s exposure to various risks of loss- Workers’ Compensation; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters.

RTWP – An acronym for Regional Treated Water Plant which includes the Thomas E. Taylor Regional Treatment Water Plant and the Tom Harpool Regional Water Treatment Plant.

RTWS – An acronym for Regional Treated Water System, includes the two treatment plants – Thomas E. Taylor Regional Treatment Water Plant and the Tom Harpool Regional Water Treatment Plant.

S

SCADA System – An acronym for Supervisory Control and Data Acquisition System. The computer system that collects data, processes the data and allows operating personnel to take corrective actions.

Senior Lien Debt – Debt and obligations which are prioritized for repayment in the case of bankruptcy.

Sludge – Solid residue from wastewater treatment.

State (or Board) Participation Funds – The State (or Board) Participation Program enables the Texas Water Development Board (TWDB) to assume a temporary ownership interest in a regional project when the local sponsors are unable to assume debt for the optimally sized facility. The TWDB may acquire an ownership interest in property and treatment works. The loan repayments that would have been required, if the assistance had been from a loan, are deferred. Ultimately, the cost of the funding is repaid to the TWDB based upon purchase payments, which allow the TWDB to recover its principal and interest costs and issuance expenses, etc., but on a deferred timetable.

The intent of this program is to allow for optimization of regional projects through state participation where the benefits can be documented, and such development is unaffordable without state participation. The goal is to allow for the "Right Sizing" of projects in consideration of future growth.

Strategic Goal – The long-range plans and direction of the District.

Surface Water – Natural sources of water, such as rivers and lakes.

SWIFT – An acronym for State Water Implementation Fund of Texas, a funding program created by the Texas Legislature and administered by the Texas Water Development Board (TWDB), to provide affordable, ongoing state financial assistance for projects in the state water plan. Passed by the Legislature and approved by Texas voters through a constitutional amendment, the SWIFT helps communities develop and optimize water supplies at cost-effective rates. The program provides low-interest loans, extended repayment terms, deferral of loan repayments, and incremental repurchase terms for projects with state ownership aspects.

SWIRFT – An acronym for State Water Implementation Revenue Fund of Texas. The Texas Water Development Board (TWDB) is authorized to issue revenue bonds associated with SWIRFT under Article 3, Section 49-d-13 of the Texas Constitution and Chapter 15, Subchapter H of the Texas Water Code. SWIRFT bonds are issued to provide financial assistance to political subdivisions for projects included in the State Water Plan through the TWDB’s State Water Implementation Fund for Texas (SWIFT) program.

SWP – An acronym for State Water Plan. Development of the state water plan is central to the mission of the TWDB. Based on 16 regional water plans, the plan addresses the needs of all water user groups in the state – municipal, irrigation, manufacturing, livestock, mining, and steam-electric power – during a repeat of the drought of record that the state suffered in the 1950s. At the end of each five-year regional water planning cycle, agency staff compiles information from the approved regional water plans and other sources to develop the state water plan, which is presented to TWDB's governing Board for adoption. The final adopted plan is then submitted to the Governor, Lieutenant Governor, and the Texas Legislature.

T

Texas National Resources Conservation Commission (TNRCC) – See Texas Commission on Environment Quality (TCEQ)

TWDB – An acronym for Texas Water Development Board. This Board was established by the State to provide leadership, planning, financial assistance, information, and education for the conservation and responsible development of water for Texas.

Tranche – A apportion of something, especially money.

Treated Water – Water that has been processed through the District's water treatment plant(s) or imported from other utilities, to supplement the District's water supplies.

TIC – An acronym for True Interest Cost. A method of computing the interest expense of bonds and is defined as the rate, necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of bonds. TIC computations produce a figure slightly different from the "net interest cost" (NIC) method because TIC considers the time value of money while NIC does not.

U

Unaccounted Water – Difference between amount of water treated and the amount of water sold. The difference is caused by system losses, leakage, unbilled public usage, and water used during construction projects.

U.S. Army Corps of Engineers – The Corps' mission is to provide quality, responsive engineering services to the nation including planning, designing, building and operating water resources and other civil works projects (Navigation, Flood Control, Environmental Protection, Disaster Response, etc.)

V

Variable Operating Expenses – Operations and maintenance expenses which vary directly in proportion to the amount of water delivered.

Variance – The dollar and/or percentage difference between two sets of figures.

W

Wastewater – The waterborne discharge from residences, commercial buildings, industrial plants and institutions.

Wastewater Treatment – Processes which involve physical removal of contaminants from the wastewater.

Water Conservation – Reducing the demand for water through activities that alter water use practices, e.g., improving efficiency in water use, and reducing losses of water from leaks.

Water Quality – The chemical, physical and biological characteristics of water with respect to its suitability for a particular purpose. The same water may be of good quality for one purpose or use, and bad for another, depending on its characteristics and the requirements for the particular use.

Water Reclamation – A process by which water used in houses and businesses goes down the drain and becomes wastewater, which is then cleaned using biological and chemical processes so the water can be returned to the environment safely to augment the natural systems from which it came.

Water Rights – A legally protected right, granted by law, to take possession on water occurring in a water supply and to guide the water and put it to beneficial use.

Water Year – The period of June 1 of each calendar year through May 31 of the following calendar year.

Watershed – Area from which water drains to the nearest stream, or lake, eventually to the ocean. Also referred to as a drainage basin.

Well – A vertical drilled hole into an underground formation, usually to obtain a source of water, to monitor ground water quality or to determine the position of the water table.

Working Capital – Budgeted working capital is calculated as a fund's current assets less current liabilities plus current portion of long-term debt.

X

Y

Yield – The rate of return on an investment if it is held to maturity.

Z