

**MUD #2 Comparison of Operating Revenues and Approved 2024 / 2025 Budget**

Account Number and Description	2021 - 2022 12 Months	2022 - 2023 12 Months	2023 -2024 Budget	2023-2024 Actual + 1 mo	Approved 2024 -2025 Budget	Difference Approved Budget to Act	%age change
<b>Income</b>							
14101 · Water - Customer Service Revenue	246,684	266,705	265,000	293,475	290,000	-3,475	-1.2%
14102 · SJRA Fee	201,567	242,427	235,000	295,901	297,000	1,099	0.4%
14105 · Reconnection Fee	4,025	4,050	3,000	4,200	3,000	-1,200	-40.0%
14502 · Inspection Fees		2,847	0	1,203	0		
14201 · Wastewater - Customer Service Fee	195,786	194,680	190,000	205,043	190,000	-15,043	-7.9%
14301 · Maintenance Tax Collections	536,733	651,838	660,000	705,295	680,000	-25,295	-3.7%
14702 · Penalties & Interest	8,694	11,743	10,000	17,432	10,000	-7,432	-74.3%
14103 · Lone Star Authority	7,191	8,275	7,000	9,582	7,000	-2,582	-36.9%
14501 · Tap Connections	14,875	18,942	10,000	18,745	12,000	-6,745	-56.2%
14206 · Sewer Inspection Fee	1,370	3,107	1,500	2,460	1,000	-1,460	-146.0%
15801 · Miscellaneous Income	7,942	303	100	300	100	-200	-200.0%
14801 · Interest Earned on Temp. Invest	9,973	26,607	48,750	58,341	48,750	-9,591	-19.7%
14802 · Interest Earned on Checking Acc	54	3,736	375	54	0	-54	0.0%
<b>Total Income</b>	<b>1,234,894</b>	<b>1,435,260</b>	<b>1,430,725</b>	<b>1,612,029</b>	<b>1,538,850</b>	<b>-71,977</b>	<b>-4.7%</b>

Comments:

Increased Maintenance Tax Collections based on current year actuals

SJRA Fee revenue is SJRA Pumpage Fee plus 10%

**MUD #2 Comparison of General Operating Expense and Approved 2024 / 2025 Budget**

Account Number and Description	2021 - 2022 12 Months	2022 - 2023 12 Months	2023 -2024 Budget	2023-2024 Actual + 1 mo	Approved 2024 -2025 Budget	Difference Approved Budget to Act	%age change
16105 · Maint & Rep - Water Plant	98,063	23,192	50,000	83,606	50,000	-33,606	-67.2%
16106 · Maint & Rep- Water Distribution	157,958	195,028	175,000	203,243	200,000	-3,243	-1.6%
16107 · Chemicals - Water	15,531	9,147	16,000	14,922	16,000	1,078	6.7%
16501 · Tap Connection Fee	6,750	13,810	15,000	10,950	15,000	4,050	27.0%
16119 · SJRA Pumpage Fee	220,896	273,381	270,000	272,162	270,000	-2,162	-0.8%
16111 · Reconnections			2,000	0	2,000	2,000	100.0%
16203 · Maint & Repairs - STP	80,452	30,998	60,000	57,984	60,000	2,016	3.4%
16204 · Maint & Rep - Lift Stations	53,874	25,293	60,000	21,255	60,000	38,745	64.6%
16206 · Maint & Rep - WW Collection Sys	94,255	16,229	40,000	23,978	70,000	46,022	65.7%
16207 · Chemicals - Sewer	12,244	20,321	16,000	13,972	16,000	2,028	12.7%
16212 · Sludge Removal	26,497		24,000	19,007	29,000	9,994	34.5%
16218 · Sewer Inspection Expense	539	1,776	1,500	1,500	1,500	0	0.0%
16208 · Laboratory Exp - Sewer	18,456	16,304	16,000	16,977	16,000	-977	-6.1%
16108 · Laboratory Exp - Water	2,382	1,887	2,500	2,464	2,500	36	1.4%
16116 · Permit Expense	22,602	10,246	17,400	4,029	15,000	10,971	73.1%
16117 · Regulatory Assessment Expense	2,171	2,218	2,000	1,759	2,000	241	12.0%
16801 · Security Monitoring Expense		6,366	6,600	6,300	6,600	300	4.5%
16118 · Lone Star Well Permit Fee	11,050	11,050	8,300	8,288	8,300	13	0.2%
16112 · Service Account Collection	79,544	78,578	80,000	80,378	80,000	-378	-0.5%
16202 · Maint & Repairs - General	15,020		15,000	0	15,000	15,000	100.0%
16205 · Maint & Rep - Storm Drainage	0		50,000	21,924	50,000	28,076	56.2%
16715 · Meter Reading Interface AVR		6,251	9,780	10,389	10,800	411	3.8%
16719 · AWBD Expense			750	0	0	0	0.0%
18104 · Emergency Repairs	0	12,993	50,000	14,493	50,000	35,507	71.0%
<b>Total 16000 · General Operating Expense</b>	<b>918,284</b>	<b>755,068</b>	<b>987,830</b>	<b>889,578</b>	<b>1,045,700</b>	<b>156,122</b>	<b>14.9%</b>

Comments:

Sludge Removal based on input from Jennifer at Regional Water prior year  
 AWBD moved to travel expense in Professional Services  
 Meter Reading Interface - Badger Meter monthly cellular bill of \$900 monthly for Smart Meters  
 M&R Water Distribution increased to 200K per Jennifer at Regional Water  
 M&R WW Collection Sys increased to 70K per Jennifer at Regional Water

**MUD #2 Comparison of Professional Services Expense and Approved 2024 / 2025 Budget**

Account Number and Description	2021 - 2022 12 Months	2022 - 2023 12 Months	2023 -2024 Budget	2023-2024 Actual + 1 mo	Approved 2024 -2025 Budget	Difference Approved Budget to Act	%age change
<b>16100 · Professional Services Expense Other</b>							
16703 · Legal Fees	102,487	106,249	110,000	106,596	110,000	3,404	3.1%
16705 · Auditing Fees	14,500	15,000	16,000	15,500	16,000	500	3.1%
16706 · Engineering Fees	190,617	49,778	71,000	107,652	190,000	82,348	43.3%
16709 · Election Expense		2,570	5,000	549	5,000	4,451	89.0%
16712 · Bookkeeping Fees	24,349	46,292	50,000	51,163	52,000	837	1.6%
16714 · Printing & Office Supplies	19,018	22,197	22,000	23,301	24,000	699	2.9%
16717 · Postage	1,154	785	1,000	1,135	1,200	65	5.4%
16215 · Telephone Expense	5,550	4,006	5,500	0	5,500	5,500	100.0%
16210 · Utilities	72,681	71,941	80,000	64,646	80,000	15,354	19.2%
16718 · Insurance & Surety Bond	31,282	32,871	37,500	36,901	42,128	5,227	12.4%
16723 · Travel Expense	3,535	6,916	6,500	8,165	6,500	-1,665	-25.6%
16735 · Miscellaneous Expense	7,787	3,481	3,500	3,809	3,600	-209	-5.8%
17101 · Payroll Expenses	18,247	15,340	18,500	22,002	27,000	4,998	18.5%
<b>Total 16100 · Professional Services Expense</b>	<b>491,207</b>	<b>377,426</b>	<b>426,500</b>	<b>441,419</b>	<b>562,928</b>	<b>121,509</b>	<b>21.6%</b>

Comments:

Auditing Fees based on quote from McCall Gibson Swedlund Barfoot PLLC

Insurance & Surety Bond based on quote from Gallagher Insurance

Payroll Expenses - director's fees increased by 47%, have increased budget from prior year's budget by same percent

Engineering Fees: - have estimated until receive estimates from Sherry Grant with Baxter Woodman

General Consultation	90,000
Annual Water Plant Evaluation (2 GSTs)	10,000
Lift Station De-Clogger est remaining	30,000
MS4 Notice of Intent	15,000
MS4 on-going compliance	45,000

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190,000

**MUD #2 Net Operating Surplus (Deficit) and Capital Outlay Approved 2024 / 2025 Budget**

Account Number and Description	2021 - 2022 12 Months	2022 - 2023 12 Months	2023 -2024 Budget	2023-2024 Actual + 1 mo	Approved 2024 -2025 Budget	Difference Approved Budget to Act	%age change
<b>Total Income</b>	1,234,894	1,435,260	1,430,725	1,612,029	1,538,850		
<b>Total Expense</b>	1,409,491	1,132,494	1,414,330	1,330,998	1,628,628	297,630	18.3%
<b>Net Operating Surplus (Deficit as minus sign)</b>	-174,597	302,766	16,395	281,032	-89,778		
<b>Other Expense</b>							
17305 · Capital Outlay	0	484,490	1,178,500	51,500	1,755,800	1,704,300	97.1%
17306 · Capital Outlay - Engineering		89,615	94,975	152,651	30,000	-122,651	-408.8%
<b>Net Income/Loss</b>	-174,597	-271,339	-1,257,080	76,881	-1,875,578	-1,581,649	84.3%

**Capital Outlay Notes: - Sherry Grant at Baxter Woodman**

**Current Projects funded by Bond Proceeds:**

- |  |         |
|--|---------|
| 1. Sanitary Sewer Priority I Rehabilitation  | 71,300  |
| 2. Sanitary Sewer Priority I Replacements  | 164,000 |
| 3. Sanitary Sewer Priority II Rehabilitation   | 247,500 |
| 4. Sanitary Sewer Priority II Replacements   | 206,000 |
| 5. Emergency Interconnect with Far Hills UD<br>(half of total project cost of \$970,000) | 485,000 |
| 6. Storm Sewer System Televising   | 360,000 |

1,533,800

**New Projects not funded by Bond Funds:**

- |  |                |
|--|----------------|
| 1. Retaining Wall Repair at Outfall 35 (estimates) |                |
| Construction                                       | 100,000        |
| Engineering/Repair Alternatives Design             | 30,000         |
| Engineering/Construction Management                | 10,000         |
|  | <u>140,000</u> |
| 2. 300,000 Gallon GST (West) Rehabilitation        |                |
| Construction plus 20% Contingency                  | 72,000         |
| Engineering  | 10,000         |
|  | <u>82,000</u>  |

222,000

**Total Capital Outlay:**

1,755,800

**Capital Outlay - Engineering:**

**Projects funded by Bond Funds:**

- |   |               |
|---|---------------|
| Storm Sewer Outfall Inspections-notification to res | 10,000        |
| Electrical Assessments                              | 20,000        |
|   | <u>30,000</u> |

**Total Capital Outlay Engineering**

30,000

**MUD #2 Comparison of Maintenance & Repair Expense and Approved 2024 / 2025 Budget**

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16106 · Maint & Rep- Water Distribution	157,958	195,028	175,000	203,243	200,000	-3,243	-1.6%
16203 · Maint & Repairs - STP	80,452	30,998	60,000	57,984	60,000	2,016	3.4%
16204 · Maint & Rep - Lift Stations	53,874	25,293	60,000	21,255	60,000	38,745	64.6%
16206 · Maint & Rep - WW Collection Sys	94,255	16,229	40,000	23,978	70,000	46,022	65.7%
16335 · Maint & Repairs - General	15,020	0	15,000	0	15,000	15,000	100.0%
16336 · Maint & Rep - Storm Drainage	0	0	50,000	21,924	50,000	28,076	56.2%
18104 · Emergency Repairs	0	12,993	50,000	14,493	50,000	35,507	71.0%
<b>Total Maintenance and Repair Expense</b>	499,622	303,733	500,000	426,483	555,000	128,517	23.2%

**MAINTENANCE AND REPAIR COSTS HAVE THE HIGHEST VARIABILITY YEAR OVER YEAR - IN TOTALS AND BY CATEGORY**

Infrastructure is aging and requiring more repairs. We recommend increasing the M&R base to 555K including a line for Emergency Repairs of 50K.

Current year totals have been under budget for the most part, we anticipate seeing increases in actual.