

# **SJRA**

**SAN JACINTO RIVER AUTHORITY**

---



## **Approved Budget FY2024**

**Adopted by Board  
August 24, 2023**



**San Jacinto River Authority**  
Approved Operating Budgets  
For Fiscal Year September 1, 2023 to August 31, 2024

**TABLE OF CONTENTS**

Introduction .....	3
Vision, Mission, and Principles .....	5
Organizational Structure .....	6
Budget Process and Schedule .....	9
Capital Improvements and Other Project Plan Development .....	10
General Budgetary Assumptions .....	11
Raw Water Enterprise .....	12
Raw Water Supply .....	14
Budget Summary and Details .....	20
Highlands Division .....	22
Budget Summary and Details .....	28
Lake Conroe Division .....	32
Budget Summary and Details .....	40
Raw Water Enterprise Summary.....	44
Budget Summary .....	45
Fiscal Year 2024 Risk Management .....	48
Woodlands Division .....	52
Budget Summary and Detail .....	62
Fiscal Year 2024 Risk Management .....	69
GRP Division .....	71
Budget Summary and Detail .....	79

Fiscal Year 2024 Risk Management .....	82
Flood Management Division .....	83
Budget Summary and Detail .....	89
General and Administration (G&A) Division .....	91
Budget Summary and Detail .....	100
Bear Branch Reservoir System .....	104
Budget Summary and Detail .....	108
Region H Water Planning Group .....	110
Budget Summary and Detail .....	113
Capital Equipment List .....	114

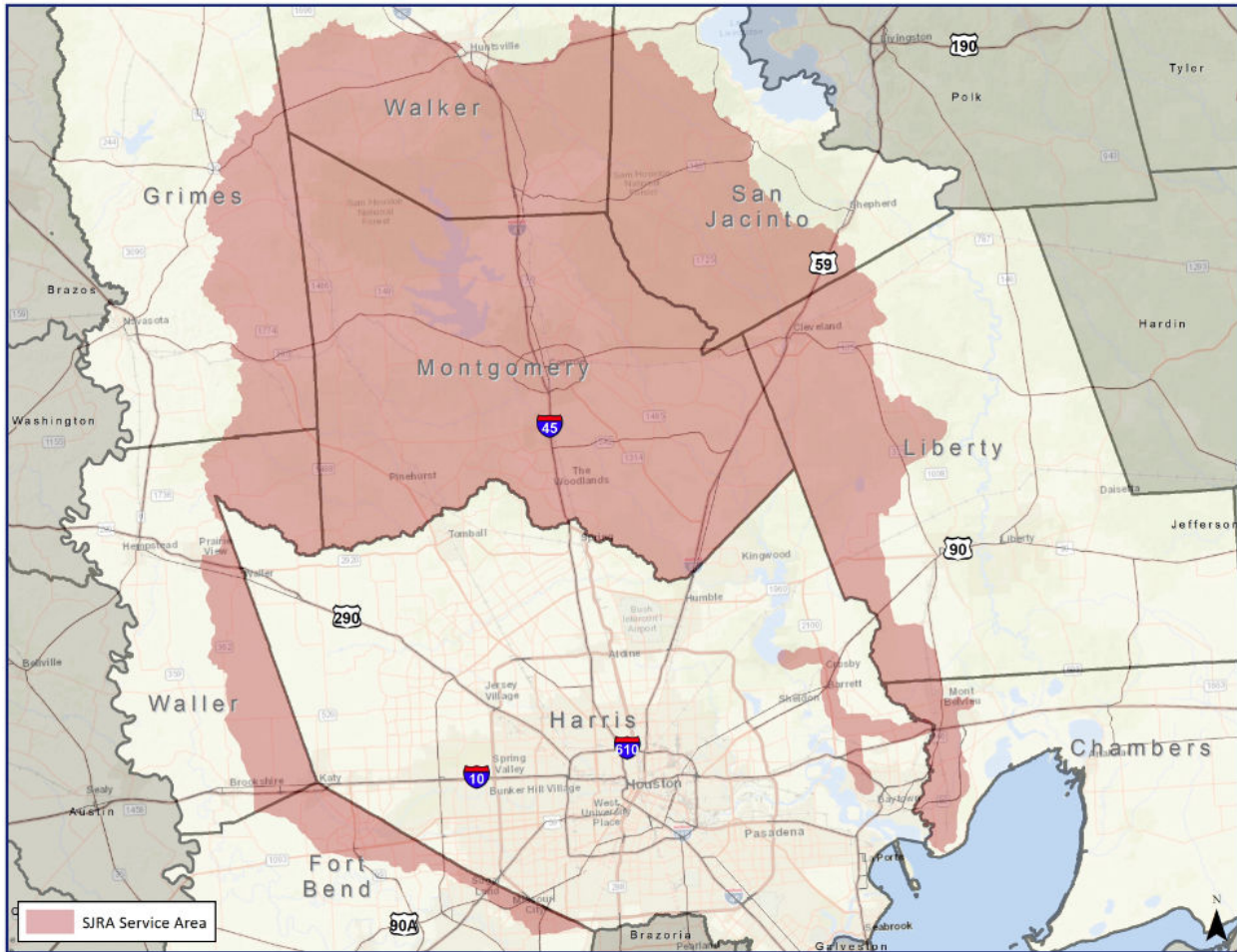


# Introduction

## INTRODUCTION TO SJRA

The 45<sup>th</sup> Texas Legislature created the San Jacinto Conservation and Reclamation District in 1937 (citation – May 12, 1937, 45<sup>th</sup> Leg., R.S., Ch. 426). The 52<sup>nd</sup> Texas Legislature later changed its name to the San Jacinto River Authority (“Authority”) in 1951 (citation – May 14, 1951, 52<sup>nd</sup> Leg., R.S., Ch. 366). The Authority was created to develop, conserve, and protect the waters of the river basin and its tributaries, including all of Montgomery County and parts of six other counties, excluding Harris County. The Authority is one of ten major river authorities in the State of Texas, and like the other river authorities, its primary purpose is to implement long-term, regional projects related to water supply and wastewater treatment. The Authority also operates in eastern Harris County by agreement with the City of Houston to supply raw water for municipal, industrial, and irrigation needs.

### MAP OF SJRA SERVICE AREA



## VISION, MISSION, AND PRINCIPLES

---

### VISION

SJRA's Vision is to be a trusted leader in the management of the water resources of the San Jacinto River Basin.

### MISSION

SJRA's Mission is to:

- assure long-term water supplies
- provide safe drinking water, raw water, and wastewater treatment services
- protect source water quality
- coordinate regional flood planning
- inform and engage the public on a wide range of water resources management topics

### PRINCIPLES

SJRA believes that the following principles are the fundamental values that guide how members of the organization conduct themselves in a pursuit of the mission and vision of the organization. The following guiding principles provide an ethical framework for decision-making and action:

- focus on our customers and stakeholders
- treat each customer, employee, and vendor with dignity and respect
- value each employee, their work, and their commitment
- be truthful, trustworthy, and transparent
- be knowledgeable and diligent in the performance of our duties
- use financial resources efficiently and responsibly
- be accountable for our performance
- continuously improve our performance
- ensure that our systems that provide our services remain viable for future generations
- be prepared for and respond effectively in emergencies
- support water conservation and environmental stewardship



## SJRA STRUCTURE

---



### SJRA Board of Directors



**Ronnie Anderson**  
President



**Ed Boulware**  
Vice-President



**William Faubel**  
Secretary



**Mark Micheletti**  
Treasurer



**Ricardo Mora**  
Secretary-Pro Tem



**Stacey Buick**  
Director



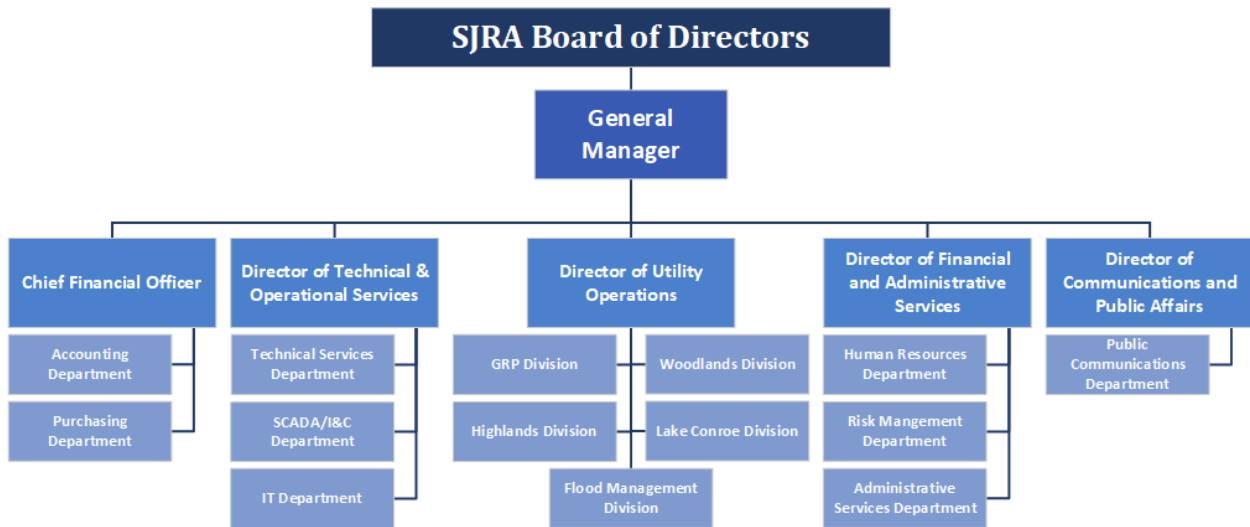
**Stephanie Johnson**  
Director



The Authority is governed by a seven-member Board of Directors, appointed by the Governor of Texas to six-year staggered terms. After current Directors terms are fulfilled, Texas House Bill 1540 of the 88<sup>th</sup> Legislative Session states four-year term limits will become effective for newly appointed or re-appointed Directors. Section 49.057 (b), of the Texas Water Code requires the Board of Directors of the Authority to adopt an annual operating budget.

The Authority operates on a fiscal year that begins September 1<sup>st</sup> of each calendar year and ends August 31<sup>st</sup> of the next year. The Authority utilizes nine distinct enterprises to report on and budget for the same functions as business type activities. The Authority’s major enterprise funds are as follows:

- Raw Water Supply (part of overall Raw Water Enterprise)
- Highlands Division (part of overall Raw Water Enterprise)
- Lake Conroe Division (part of overall Raw Water Enterprise)
- Woodlands Division
- Groundwater Reduction Plan (GRP) Division
- Flood Management Division
- General and Administration (G&A) Division
- Bear Branch
- Region H



Revenues and expenses for the separate operating divisions are for the sole use within their specific division. The Raw Water Enterprise, Woodlands Division, and GRP Division revenues and expenses are not shared between one another. The Raw Water Enterprise encompasses the revenues and expenses from Raw Water Supply with the cost centers of the distinct Highlands and Lake Conroe Divisions. Specific expenditures for the Highlands Division and Lake Conroe Division are utilized for their direct operations. Raw Water Supply revenues are utilized to cover the remaining expenses for Highlands, Lake Conroe, and Flood Management Divisions as well as any G&A Division expenses not otherwise allocated.

In response to a March 2018 press release by Texas Governor Greg Abbott, the Authority immediately began taking a more active role in regional flood management by creating a Flood Management Division

to oversee the development of short-term and long-term flood management strategies; build partnerships with federal, state, and local government entities; and identify funding sources and opportunities for flood mitigation in the region. The Flood Management Division oversees the funding, planning, and implementation of, as well as partnerships related to, flood mitigation projects, including the ultimate transfer of operations and maintenance of completed projects to partnering entities. For FY24, the Flood Management Division, net of participant contributions and grant funds, will be funded by Raw Water Enterprise.

The Authority has two distinct wholesale utility divisions in the Woodlands and GRP Divisions. The Woodlands Division is composed of five separate budgets: Operations, Repair & Replacement Fund; Water System Bonds; Waste Disposal Bonds; and Future Facility funds. These funds are discussed in more detail within the Woodlands section of this budget.

In addition to the Authority's five operating divisions, SJRA maintains the Bear Branch Reservoir (Bear Branch) and drainage system for stormwater management under contract with five Woodlands-area Municipal Utility Districts (MUDs). SJRA also serves as the designated administrative agent for the Region H Regional Water Planning Group (Region H) under contract with the Texas Water Development Board. The Bear Branch and Region H budgets are developed separately from normal business operations. All revenues and expenses associated with Bear Branch and Region H are utilized solely for those specific purposes.

## BUDGET PROCESS AND SCHEDULE

---

Each Fall, the Authority’s management team begins the budgeting process for the next fiscal year. The process begins in November with updates to divisional ten-year project plans, five-year business plans, and staffing plans, adding in-depth service demand forecasting, and line-item by line-item evaluation, forecasting, and justification of expenditures.

<b>FISCAL YEAR 2024 SCHEDULE</b>	
<b>November/February</b>	<ul style="list-style-type: none"> <li>• Updates to ten-year project plans</li> </ul>
<b>January</b>	<ul style="list-style-type: none"> <li>• Development of water and wastewater demand forecasting and general budgetary assumptions</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>• G&amp;A Department budget development</li> </ul>
<b>March – April</b>	<ul style="list-style-type: none"> <li>• Operating Division budget development</li> </ul>
<b>April – June</b>	<ul style="list-style-type: none"> <li>• Ten-year project plans for each Division presented to customers and Board of Directors</li> <li>• Senior Management review and compilation of overall budgets</li> <li>• Draft Division budget presentations to customers, participants, GRP Review Committee, and the City of Houston</li> <li>• Proposed Division rate presentations to customers</li> <li>• Draft GRP budget and proposed GRP rates presentation to Finance Committee, GRP Review Committee and Board of Directors</li> <li>• Draft GRP budget and proposed GRP Rates Order to GRP Review Committee and Board of Directors for approval</li> <li>• Draft divisional/departmental budgets presentations to Finance Committee</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Presentation of proposed overall and division budgets, and the proposed Woodlands and Raw Water Rate Orders to Board of Directors</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>• Board of Directors budget approval and Woodlands and Raw Water Rate Orders Approval</li> </ul>

## CAPITAL IMPROVEMENTS AND OTHER PROJECT PLAN DEVELOPMENT

---

As part of the Authority's planning and budget process, Capital Improvement and Project Plans are developed for each Division for a ten-year period. The projects listed in these Plans may be funded from the annual O&M budgets, bonds, grants, and/or from appropriate contributions from customers. Projects anticipated to be funded from divisional O&M budgets are subject to available funds and may be delayed if adequate funds are not available. Projects anticipated to be funded by bonds are not a direct part of the O&M budgets, with the exception of any debt service requirements, and are only included in project listings within this document to give a complete picture of planned project activity for FY2024-FY2033.



## GENERAL BUDGETARY ASSUMPTIONS

---

Key assumptions affecting all SJRA divisions and departments for FY2024 are as follows:

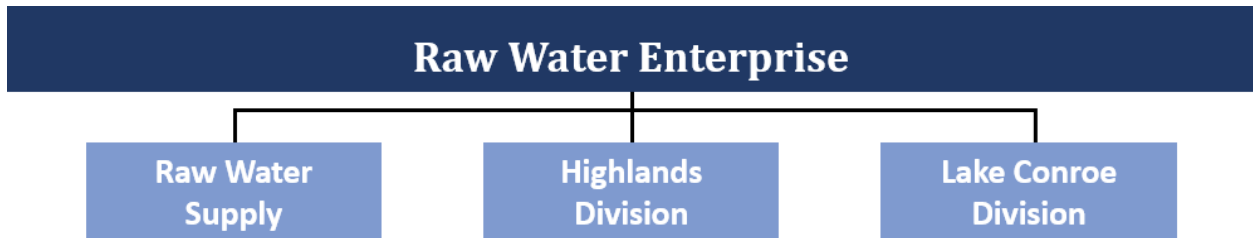
- Staffing of 180.3 Full Time Equivalent (FTE) for FY2024
- The FY2024 budget includes one intern position, but no part-time or temporary positions
- For FY2024, total salaries and benefits have been budgeted at 97% to address vacancies throughout the year
- Salary and wage increases are budgeted at a combined average of 4% for performance-based merit increases and 2% for promotions, market adjustments, and equalizations, totaling 6%
- Salaries and wages include an estimate of 10.5% of overtime for non-exempt (hourly) employees
- Current types of benefits provided and offered to employees will continue
  - Healthcare benefit costs (medical only) are budgeted for a 5% increase for FY2024
  - Authority health and wellness program, including participation incentives
- Retirement benefits for FY2024 are budgeted at 12% of salaries for employees hired prior to August 1, 2016, under the defined benefit plan and 11% of salaries for employees hired on or after August 1, 2016, based on the Authority's new defined contribution retirement plan
- Workers Compensation benefits are budgeted for a 5% increase for FY2024 based on a running three-year historical experience modifier
- Normal weather and operating conditions were utilized in preparation of the FY2024 budget
- Fuel prices per gallon for gasoline and diesel are forecasted for FY2024 at \$4.00 and \$4.25, respectively
- Utility usage, electric, and natural gas prices are forecasted to increase 10% over actual expenses for FY2024
- Specific division rates for FY2024
  - Raw Water = \$0.545 per 1,000 gallons through December 31, 2023, increasing to \$0.58 beginning January 1, 2024
  - Woodlands Wholesale Water = \$2.78 per 1,000 gallons
  - Woodlands Wholesale Wastewater = \$5.65 per 1,000 gallons
  - GRP Groundwater Pumpage = \$2.99 per 1,000 gallons
  - GRP Surface-water = \$3.41 per 1,000 gallons



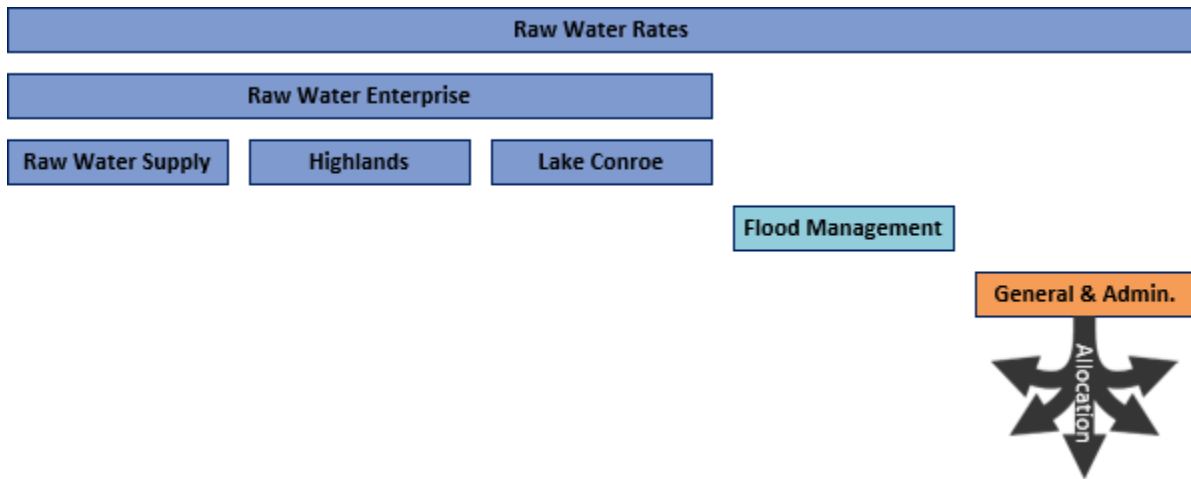
# Raw Water Enterprise

# RAW WATER ENTERPRISE

The Raw Water Enterprise of the Authority consists of the Highlands and Lake Conroe Divisions, including the revenues and expenses associated with the Authority's overall raw water supply system that are not otherwise divisible between the Highlands and Lake Conroe Divisions.



Additionally, expenses of the Flood Management Division and any remaining expenses of the General and Administration (G&A) Division that are not otherwise allocated are covered by Raw Water Supply revenues.







# Raw Water Supply

## RAW WATER SUPPLY

---

**Raw Water Supply Revenue:** The sale of all non-treated raw water for municipal, industrial, and agricultural (irrigation) purposes is included within the Raw Water Supply budget. Long-term water sale contracts account for the vast majority of raw water revenues. Most of these contracts contain annual “take or pay” provisions for set quantities of raw water, regardless of whether the water is used. Some of these contracts contain “options” and/or “reservations” for additional purchase of future water supplies. SJRA supplies raw water to municipal, industrial, and agricultural (irrigation) customers in Montgomery County and eastern Harris County from Lake Conroe, Lake Houston, and water delivered from the Trinity River. Additionally, a relatively small amount of water discharged from an SJRA Woodlands Division wastewater treatment facility is sold to reuse customers downstream of the facility. The water sold by SJRA Raw Water Supply is available based on SJRA’s water rights in the San Jacinto River and tributaries, Lake Conroe, Lake Houston, the Highlands Reservoir, and the Trinity River. Annual residential water sale contracts are also available to meet landscape irrigation demands around Lake Conroe at a flat rate. With few exceptions, including the flat rate charged to Lake Conroe residential irrigation customers and a unique rate charged to the reuse customers described above, the Authority uses one, system-wide raw water rate and reserves the right from time to time to adjust its rates for the sale, reservation, or optioning of raw water. Short-term water sale contracts, another exception to the system-wide rate, are also available for entities/individuals requiring water over a short period. The rate for short-term sale contracts is higher than the system-wide rate. However, these short-term contracts are not included in the budget since they are difficult to predict, temporary, and sporadic in nature.

**Major Initiatives:** The Raw Water Enterprise is currently engaged in, and planning in FY2024 to continue, or begin, several activities as outlined below:

- 1. Water Rights Protection:** The Authority maintains significant water rights granted by the State of Texas within the San Jacinto River Basin, Trinity River Basin, and Trinity-San Jacinto Coastal Basin, and may seek from time to time to increase these supplies as opportunities to acquire additional rights, or contracts for these rights, become available. These existing water rights can potentially be negatively impacted by new applications for water rights by third parties; therefore, the Authority must occasionally intervene with the Texas Commission on Environmental Quality (TCEQ) to address the issuance of such permits. The Authority maintains agreements for representation by specialized legal counsel and consultants to assist with these matters on behalf of the Authority.
- 2. Water Rights Acquisition:** The Authority recently submitted a water right permit application for return flows in the San Jacinto River Basin. The Authority is also currently developing a joint water right permit application with the City of Houston for a small amount of return flows into Lake Conroe from the City of Huntsville and Montgomery County MUDs 8 and 9, based on a previously executed agreement between all five parties. Water rights acquisition activities are anticipated to extend into FY2024 and beyond.
- 3. Raw Water Rate Model Update and Raw Water Rate Study:** In FY2017-18, the Authority completed, as part of a Raw Water Rate Study, development of a Raw Water Rate Model.

Subsequent to creation of this model, significant changes in operations and policies occurred which affected model functionality. Specifically, the creation of the Flood Management Division, changes in reserve fund policies, and the transition away from debt funding of projects to pay-as-you-go funding strategies for the Lake Conroe, Highlands, and General and Administration Divisions, referred to as Repair and Replacement (R&R) Funds. Updates to the original model were performed to increase its functionality, accommodate the changes described above, and allow staff to provide accurate modeling estimates. The model is a critical component in estimating future rate increases necessary to cover the long-term operational, maintenance, and capital reinvestment needs of the Raw Water Enterprise. The Authority has a raw water rate study performed by an outside consultant every five years to ensure proper rate setting and compliance with contractual requirements. A rate study is currently being performed and will extend into FY2024. The study includes further updates to the rate model to ensure ease of use, accuracy, and flexibility in future rate analysis efforts.

- 4. *Raw Water Supply Master Plan:*** The Raw Water Supply Master Plan (RWSMP), completed in 2018, determined 50-year demand projections for industrial, municipal, and irrigation water usage for The Authority's Montgomery County and Highlands service areas, and identified and evaluated several strategies or water-supply sources for meeting these demands, including a portfolio of recommended strategies for each service area. The Authority is currently performing a relatively minor update to the RWSMP, to incorporate new data (census, updated technical data, cost estimates, regulatory changes, Region H Regional Water Planning Group data, etc.) and perform updated analysis of water supply strategies and portfolios to ensure regional water supply master planning is kept up to date. Previously analyzed and recommended strategies, as well as newly identified strategies, as appropriate, are being updated and analyzed to confirm, adjust, and/or improve the recommended supply portfolios for each service area. This effort is anticipated to extend into FY2024. More substantial RWSMP updates are planned for FY2027/28 and every 5 years thereafter.
- 5. *Aquifer Storage and Recovery (ASR) Demonstration:*** Aquifer Storage and Recovery (ASR) is a water management strategy where groundwater is artificially recharged, increasing the volume of water stored in an aquifer and allowing for subsequent withdrawal at a future date. This strategy is part of the recommended portfolio of future water supply sources for Montgomery County in the Authority's 2018 Raw Water Supply Master Plan (RWSMP). The original source of supply for an ASR project could be surface or groundwater. An ASR strategy developed by the Authority could consider injecting either fully or mildly treated water into the aquifer. The first step in investigating ASR as a strategy is an aquifer characterization study. These study efforts (FY2022-24) are being performed by the Texas Water Development Board (TWDB) at no cost to the Authority, and are anticipated to include, but not necessarily be limited to: detailed aquifer characterization of the Gulf Coast Aquifer in the Authority's service area, analysis from the Statewide ASR Suitability Survey, and site selection considerations and suggestions based on hydrogeology. The feasibility and necessity of future efforts will be determined by this study and the results of RWSMP updates.

**6. Trinity River Transfer:** Acquiring water from the Trinity River Authority (TRA) was a recommended strategy in the Authority's 2018 Raw Water Supply Master Plan (RWSMP). This project includes the legal and permitting services necessary to obtain 25,000 ac-ft of water annually to meet anticipated East Harris County customer needs. This strategy was previously anticipated to be needed in the Authority's Montgomery County Service Area. This strategy is being modified due to the uncertainty of groundwater regulations in Montgomery County and anticipated needs in East Harris County. It is now estimated the water will be needed in the Authority's Highlands service area (East Harris County) and transferred via a Coastal Water Authority (CWA) canal. The Authority currently contracts with CWA for conveyance of up to 50 million gallons per day. This strategy may require some infrastructure enhancements. Results of updates to the RWSMP and/or coordination with TRA and CWA could impact the cost, schedule, and/or scope of these efforts. Efforts related to securing this water are underway, and are anticipated to continue into FY2024 and beyond. The FY 2024-2033 Raw Water Enterprise 10-Year Project Plan includes \$237,500 budgeted for an Option Fee with TRA. This Option Fee is now anticipated to potentially not be required in FY 2024. If this is the case, these funds could be reallocated to other water supply project efforts.

**Capital Improvement and Other Project Plans:** The Raw Water Supply system does not currently maintain any physical assets, as facilities used to store and deliver raw water are owned, operated, and maintained by the Highlands and Lake Conroe Divisions. No maintenance or construction projects are planned for Raw Water Supply outside the Divisions for FY2024. As water sources recommended in the Authority's Raw Water Supply Master Plan are needed, construction projects for Raw Water Supply, outside the Lake Conroe and Highlands Divisions, may be required. However, these projects are not anticipated to be necessary for several years. Studies and other non-construction efforts related to Raw Water Supply are scheduled for FY2024, as described above. These efforts are funded from the O&M budget and may extend over multiple fiscal years.

<b>Raw Water Supply - Projects</b>	<b>Stage</b>	<b>Est. FY2024 Cost</b>	<b>Funding Source</b>
MUDs 8&9 and Huntsville Return Flows Water Right Permit	Permitting	\$ 105,000	O&M Budget
Raw Water Supply Master Plan Updates	Plan/Permit	\$ 50,000	O&M Budget
Regional Return Flows Feasibility Study and Permitting	Study/Permit	\$ 200,000	O&M Budget
Trinity River Interbasin Transfer	Permitting	\$ 285,500	O&M Budget
<b>Total</b>		<b>\$ 640,500</b>	

**Total Indebtedness and Annual Debt Service:** At August 31, 2022, the Raw Water Enterprise had \$4,190,000 of total indebtedness through the issuance of bonds related to actions not otherwise divisible to the Highlands and Lake Conroe Divisions, made up of the following bond issuances:

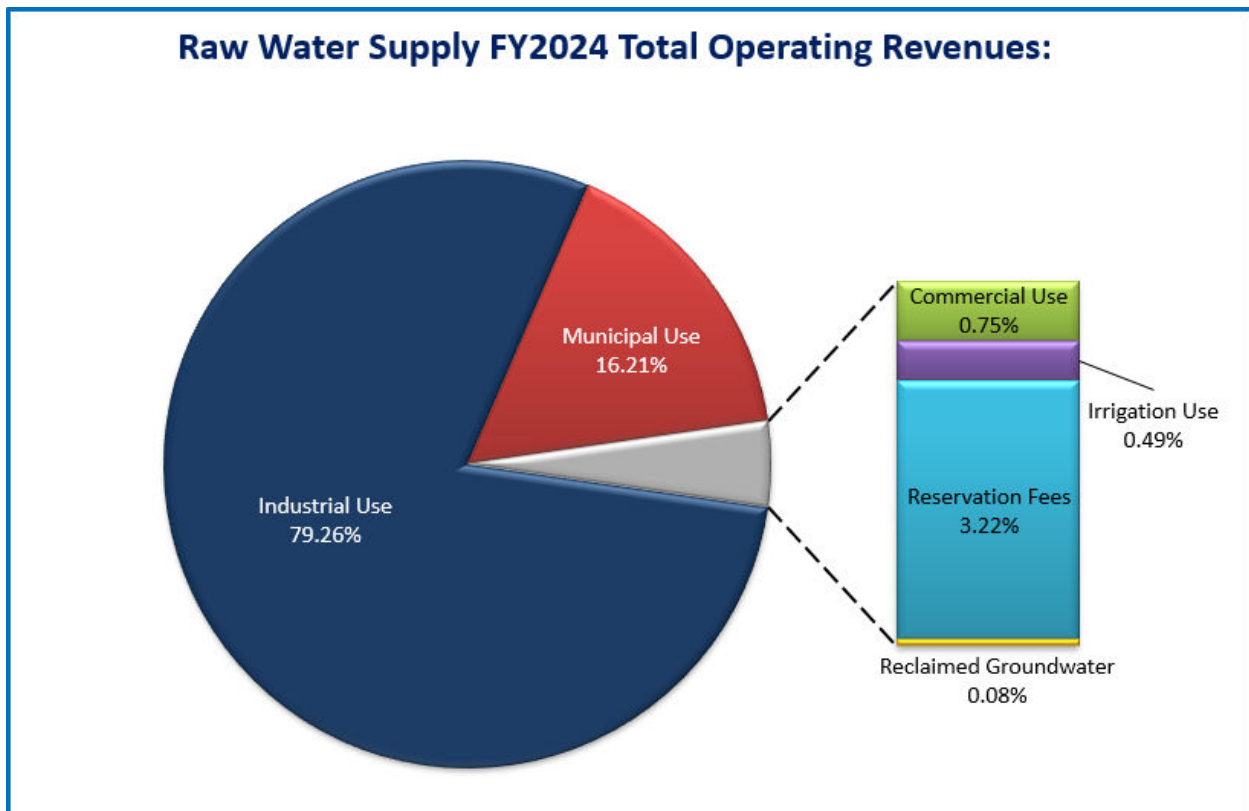
- Series 2019A Water Revenue Refunding Bonds (Outstanding: \$4,190,000; Matures 10/1/24)

Annual debt service (principal and interest) for FY2024 for the above bond issuance is \$1,220,583. Bond payments are made each year in April (interest only) and October (principal and interest). Accruals of principal and interest are made monthly. Debt Service Reserves for the above bond issuance are fully funded.

**Staffing Plans:** The Raw Water Supply’s staffing plan for FY2024 includes zero direct FTE positions, with no part-time, temporary, or intern positions. The Raw Water Supply is allocated 2.45 FTEs for FY2024 from the Lake Conroe and Flood Management Divisions and G&A Departments.

**Revenues:** The raw water rate contained within the FY2024 budget, and the Raw Water Rate Order approved by the Board of Directors is within the range of rates presented in the existing 2018 Raw Water Rate Study at \$0.545 per 1,000 gallons for calendar year 2023. Beginning January 1, 2024, through December 31, 2024, the raw water rate is budgeted to be \$0.580 per 1,000 gallons (\$188.99 per acre-foot). Unless otherwise stipulated in a specific long-term contract, the corresponding reservation and option rates are set at 25% and 10%, respectively. For the months of September-December 2023 (the first four months of FY2024), the raw water rate will continue to be \$0.545 per 1,000 gallons (\$177.59 per acre-foot), with the corresponding reservation and option rates remaining in accordance with the approved Raw Water Rate Order.

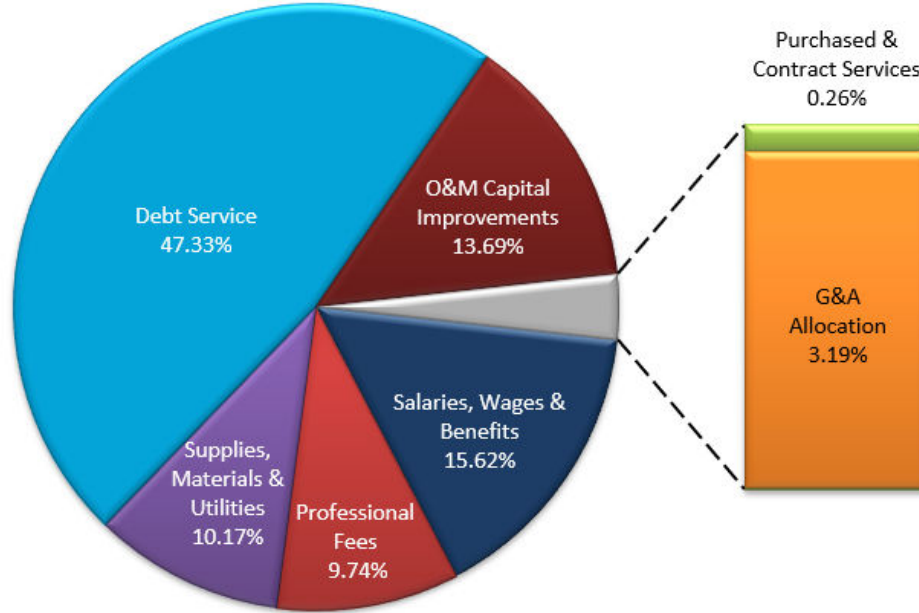
Expected operating revenues for the Authority’s Raw Water Supply for FY2024 total \$24,438,630.



**Expenditures:** The Raw Water Supply for FY2024 contains expenses related to the development, maintenance, permitting, tracking, and reporting of water rights and supplies necessary to meet current and future water demands in SJRA’s service areas. Such expenditures include, but are not limited to, Authority salaries and benefits, legal and professional fees, water contracting fees, and debt service from previously purchased water rights.

Expected total expenditures for the Authority’s Raw Water Supply for FY2024, including operating, debt service, capital improvements, and any other cash uses, totals \$2,584,978.

**Raw Water Supply FY2024 Total Operating Expenditures:  
Operating, Debt Service, & Capital Improvements**



**Fund Balance and Reserves:** The Authority’s General Fund Balance combines to cover the Raw Water Enterprise, which includes Raw Water Supply and the Highlands, and Lake Conroe Divisions, as well as the Flood Management and G&A Divisions. The Raw Water Supply budget does not maintain any Operating, Emergency, or Repair and Replacement reserves.

For FY2024, the net balance of the Raw Water Supply revenues, expenditures, and bond payments is \$21,853,652. This amount will cover the Highlands and Lake Conroe Divisions’ net expenses as part of the Raw Water Enterprise, Flood Management Division expenses, and any otherwise unallocated net expenses of the G&A Division.

**San Jacinto River Authority - Raw Water Supply**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2023	FY2024
<b>OPERATING REVENUES</b>						
General Industrial Water Revenue	\$ 15,952,347	\$ 9,599,660	\$ 16,399,975	\$ 16,688,746	\$ 17,912,781	
General Industrial Water Revenue-Lake Customers	1,290,275	782,469	1,325,406	1,362,585	1,456,070	
Water Sales-Municipal	2,788,506	1,481,092	2,808,576	3,668,215	3,962,679	
Water Sales-Commercial	165,812	100,462	169,249	156,399	182,675	
Lawn Irrigation Fees	115,950	74,146	118,096	105,000	115,650	
Water Sales-Reclaimed Groundwater	17,427	9,164	18,329	15,000	18,330	
Water Sales-Irrigation	4,191	2,576	5,383	5,387	3,704	
Fines	550	99	359	-	-	
SJRA Reservation Fee	454,413	324,887	480,509	299,054	318,664	
Industrial Reservation Fee	401,191	249,674	415,830	438,083	468,077	
Municipal Reservation Fee	46,080	27,818	47,325	48,676	-	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 21,236,742</b>	<b>\$ 12,652,047</b>	<b>\$ 21,789,036</b>	<b>\$ 22,787,145</b>	<b>\$ 24,438,630</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ (361)	\$ -	\$ (387)	\$ -	\$ -	
Other Gains & Losses	1	-	1	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ (361)</b>	<b>\$ -</b>	<b>\$ (386)</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salary & Wage Allocation	\$ 170,016	\$ 137,632	\$ 222,412	\$ 337,641	\$ 297,502	
Group Insurance	30,133	30,025	44,067	55,917	48,203	
Group Retirement Expense	18,682	18,369	25,590	37,140	34,315	
Workers Compensation Insurance	1,122	1,038	1,648	4,009	2,027	
Social Security Taxes	11,719	9,117	15,036	24,323	20,638	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 231,671</b>	<b>\$ 196,181</b>	<b>\$ 308,752</b>	<b>\$ 459,030</b>	<b>\$ 402,685</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 73,150	\$ 29,915	\$ 78,889	\$ 234,000	\$ 100,000	
Disclosure Filing	-	-	-	500	500	
Paying Agent Fees	-	-	-	750	750	
Engineering	72,552	135,417	202,920	384,000	150,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 145,702</b>	<b>\$ 165,332</b>	<b>\$ 281,810</b>	<b>\$ 619,250</b>	<b>\$ 251,250</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
State Fees	\$ 6,701	\$ 6,701	\$ 6,701	\$ 6,701	\$ 6,701	
Website Hosting & Maintenance	-	-	-	-	86	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 6,701</b>	<b>\$ 6,701</b>	<b>\$ 6,701</b>	<b>\$ 6,701</b>	<b>\$ 6,787</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ -	\$ 28	\$ 28	\$ -	\$ 150	
Travel	-	356	356	1,250	2,500	
Automobile & Truck Expense	-	-	-	-	50	
Postage	-	-	-	-	200	
Training-External	-	92	92	1,250	1,200	
Training-Employee HR	298	9	189	1,325	1,000	
Managers Expense	460	277	737	600	800	
Fuel	-	-	-	-	250	
Memberships & Professional Dues	-	-	-	-	140	
Additional Water Fees	237,500	237,500	237,500	237,500	237,500	
Health & Wellness Program	-	-	-	140	100	
Recruiting Expenses	105	85	144	900	-	
Computer Hardware	-	-	-	-	3,528	
Software & Support	-	-	-	-	10,924	
Network Communications	-	-	-	-	953	
Newspaper Ads	-	-	-	-	2,350	
Phone System-Install, Maintenance, & Changes	-	-	-	-	82	
Landline Telephone Services	-	-	-	-	453	
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 238,363</b>	<b>\$ 238,345</b>	<b>\$ 239,044</b>	<b>\$ 242,965</b>	<b>\$ 262,179</b>	
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 18,308	\$ 22,647	\$ 18,735	\$ 76,473	\$ 82,214	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 18,308</b>	<b>\$ 22,647</b>	<b>\$ 18,735</b>	<b>\$ 76,473</b>	<b>\$ 82,214</b>	



**San Jacinto River Authority - Raw Water Supply**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>NON-OPERATING EXPENSES</b>					
Interest Expense	\$ 172,367	\$ 67,767	\$ 137,600	\$ 112,600	\$ 50,583
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 172,367</b>	<b>\$ 67,767</b>	<b>\$ 137,600</b>	<b>\$ 112,600</b>	<b>\$ 50,583</b>
<b>TOTAL EXPENSES</b>	<b>\$ 813,112</b>	<b>\$ 696,973</b>	<b>\$ 992,642</b>	<b>\$ 1,517,019</b>	<b>\$ 1,055,698</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 20,423,270</b>	<b>\$ 11,955,074</b>	<b>\$ 20,796,008</b>	<b>\$ 21,270,126</b>	<b>\$ 23,382,932</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Capital Improvements				\$ 318,000	\$ 353,000
Software				-	130
Computer Equipment				-	6,150
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 318,000</b>	<b>\$ 359,280</b>
<b>OTHER SOURCES (USES)*</b>					
Bond Principal				\$ (1,550,417)	\$ (1,170,000)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (1,550,417)</b>	<b>\$ (1,170,000)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 20,423,270</b>	<b>\$ 11,955,074</b>	<b>\$ 20,796,008</b>	<b>\$ 19,401,710</b>	<b>\$ 21,853,652</b>

\*Actuals intentionally left blank.

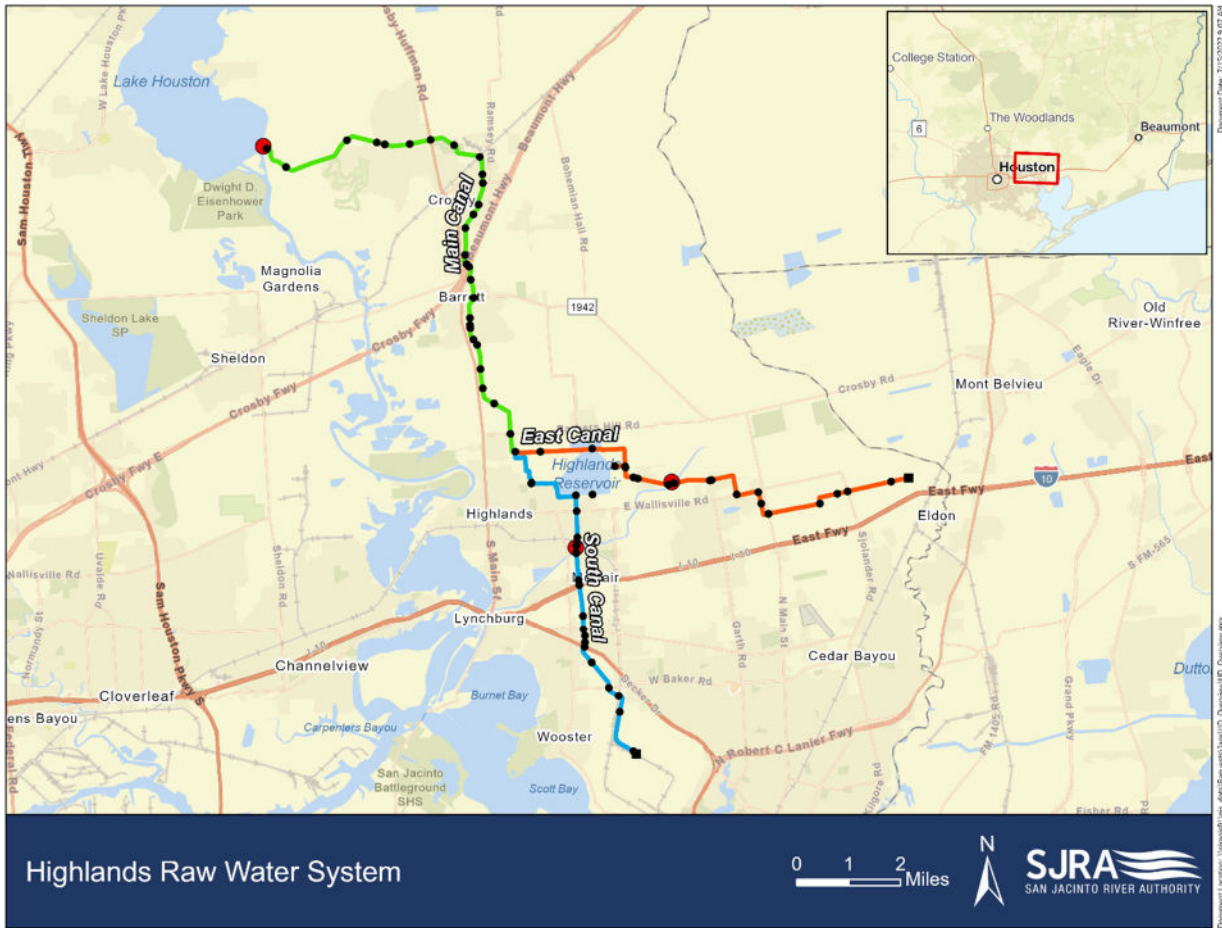


# Highlands Division

# HIGHLANDS DIVISION

The Highlands Division operates and maintains the Raw Water System to supply raw water to municipal, industrial, and irrigation customers in eastern Harris County. The original canal system was developed by the Federal Works Agency as part of the industrial build-up during World War II. The Highlands Division was created in the early 1950's when the federal government sold part of the canal system, including only the East Canal to the Authority. Today the original East Canal is made up of SJRA's Main Canal and South Canal. The Highlands system has been the principal enterprise of the Authority for more than 75 years. The system now consists of the Lake Houston Pump Station (LHPS), an extensive 27-mile system of canals (Main, East, and South) that includes siphons crossing numerous roads, pipelines, canals, and drainage channels, the 1,400-acre Highlands Reservoir, and two transfer pump stations on the East and South Canals to divert Trinity River water from the Coastal Water Authority's Main Canal into the Highlands canals. The Highlands Division delivers more water each day than all the other operating divisions combined.

**MAP OF HIGHLANDS RAW WATER SYSTEM – SIPHONS/CROSSINGS AND PUMP STATIONS**



Document Location: \\sjra\sjra\gis\_data\Reports\Map\10\_Overview\RD\_Coverpage.apx Document Date: 7/15/2022 9:07 AM

**Major Initiatives:** Several major initiatives to improve the operations of the Highlands system occurred in FY2023 or are planned for FY2024.

- 1. South Canal Improvements:** Construction began in FY2022 on improvements to the South Canal. These improvements are being addressed by five projects packaged together to achieve the most efficient/lowest cost design and construction. These projects include the replacement of Siphon 25 and 26, levee improvements between Siphon 24 and 27, and improvements to access at the reservoir, and the South Canal Bypass.
- 2. Lake Houston Pump Station Campus Improvements:** The Lake Houston Pump Station (LHPS), was historically operated and maintained by an onsite operator who resided on the premises. The Division has transitioned partially to remote operations. However, there is still a need to provide on-site operators during emergency operations. Additional improvements are in progress or in development at the site including increased SCADA capabilities and improved reliability of communications, construction of a Remote Operations Center, installation of an automatic transfer switch to the existing generator, and site access and security improvements.
- 3. Main Canal Improvements – Lake Houston Pump Station to Siphon 6:** In 2015, a preliminary engineering design report identified this section of the main canal as a hydraulic restriction in the Highlands System, where hydraulic modeling had shown bank overtopping at increase flows that could be required due to Industrial Customer demand increases. In 2016, the relocation of a private pipeline below the canal at three locations (Siphons 3, 4, and 5) eliminated the need for these three siphon crossings. In 2017, the three crossings were removed by in-house staff and by doing so reduced the priority of this project. These improvements helped but did not eliminate the need for improvements required to reconstruct the canal levee segment and repair eroded areas to provide increased flow capacity and flow reliability for canal conveyance of current and potential increased flow demands.

**Capital Improvement and Other Project Plans:** Each year the Highlands Division conducts risk and condition assessments of their infrastructure. The Highlands reviews the likelihood and consequences of failure of each asset and then prioritizes projects based on a variety of factors related to reliable, cost-effective service. Projects included within the Highlands Project Plan may be funded from the Operations and Maintenance Budget, R&R funds, Interlocal Agreements, and/or in some limited instances from direct customer contributions. Funding for projects typically extends over multiple fiscal years. For FY2024, the following projects are slated for design and/or construction:

<b>Highlands - Projects</b>	<b>Stage</b>	<b>Est. FY2024 Cost</b>	<b>Funding Source</b>
Lake Houston Pump Station Campus Improvements	Construction	\$ 1,544,000	R&R
Siphon 7 Improvements	Construction	\$ 790,000	R&R
Siphon 18 Grade Repairs	Design/Const	\$ 226,000	R&R
Emergency Operations Center Improvements	Design/Const	\$ 893,000	R&R
South Canal Bypass Access Culvert	Construction	\$ 80,000	R&R
South Canal Levee Imp. between Siphons 24 and 27	Construction	\$ 56,000	R&R
Siphon 25 Improvements	Construction	\$ 182,000	R&R
Siphon 26 Improvements	Construction	\$ 176,000	R&R
Reservoir Access Road	Construction	\$ 176,000	R&R
Main Canal Imp. - Lake Houston Pump Station to Siphon 6	Construction	\$ 6,522,000	R&R
Main Canal Levee Imp. - Siphon 6 to Highlands Reservoir	Design	\$ 90,000	R&R
Siphon 16 Erosion Repair	Design/Const	\$ 226,000	R&R
Siphon 17 Erosion Repair	Design/Const	\$ 226,000	R&R
Middle Canal Culvert Replacement	Construction	\$ 110,000	R&R
North Reservoir Culvert Replacement	Construction	\$ 110,000	R&R
South Canal Levee Imp. Between Siphon 37 and Customer	Design	\$ 253,000	R&R
Siphon 39 Improvements	Design	\$ 320,000	R&R
Highlands Emergency Operations Center Generator Replac.	Design/Const	\$ 96,000	R&R
Water Conservation and Drought Contingency Plans	Plan/Permit	\$ 24,000	R&R
South Canal Transfer Pump Station Generator Replacement	Design	\$ 26,000	R&R
Structure 2 Improvements	Plan/Design	\$ 199,000	R&R
South Canal Levee Improv. between Structure 3 & Siphon 24	Plan/Design	\$ 308,000	R&R
Lake Houston Pump Station Pump & Motor Replacement	Plan/Permit	\$ 198,000	R&R
<b>Total</b>		<b>\$ 12,831,000</b>	

**Total Indebtedness and Annual Debt Service:** At August 31, 2022, the Highlands Division currently had \$43,315,000 of total indebtedness from bonds related to Highlands projects, made up of the following bond issuances:

- Series 2014 Water Revenue Bonds (Outstanding: \$4,370,000; Matures 10/1/39)
- Series 2015 Water Revenue Bonds (Outstanding: \$23,760,000; Matures 10/1/39)
- Series 2019A Water Revenue Refunding Bonds (Outstanding: \$15,185,000; Matures 10/1/35)

Annual debt service (principal and interest) for FY2024 for the above bond issuances is \$3,650,859. Bond payments each year are made in April (interest only) and October (principal and interest). Accruals of principal and interest are made monthly. The Debt Service Reserve is fully funded for the above bond issuances.

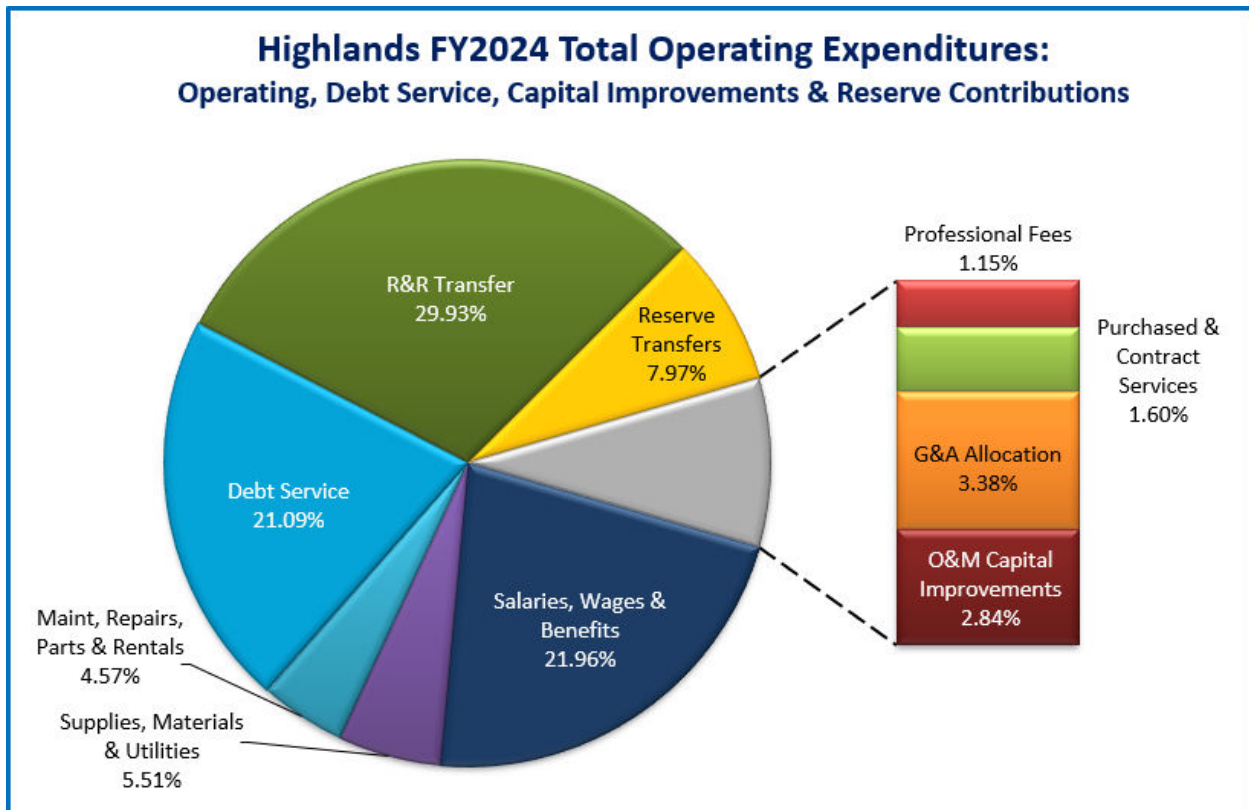
**Staffing Plans:** The Highlands Division’s staffing plan for FY2024 includes 14 direct FTE positions, with no part-time, temporary, or intern positions. In addition to these 14 FTEs, the Highlands is allocated 16.44 FTEs for FY2024 from the Lake Conroe and Flood Management Divisions and G&A Departments. Total staff in FY2024 associated with the Highlands Division, direct and allocated, is 30.44 FTEs.

**Revenues:** The Highlands Division has no revenues forecast for FY2024.

**Expenditures:** The Highlands Division for FY2024 contains regular and customary expenses related to the on-going operation and maintenance of the Highland’s wholesale Raw Water System. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- G&A Allocations
- Debt Service (principal and interest)
- O&M Capital Improvements (non-bond related)
- Reserve Contributions (if needed)
- R&R Fund Contributions

Expected total O&M expenditures for the Highlands Division for FY2024, including operating, non-operating, debt service, capital improvements, and any other cash uses, totals \$17,309,469. Highlands expected R&R Fund operating expenses and capital improvements, totals \$11,938,000.



**Fund Balance and Reserves:** The Authority’s General Fund Balance combines to cover the Raw Water Enterprise, which is made up of the Raw Water Supply, Highlands Division, and Lake Conroe Division, as well as the G&A Division and Flood Management Division.

As approved by the Board of Directors on March 24, 2022, the reserve policy for the Highlands Division utilizes two reserves and an R&R Fund:

- 1. Operating & Rate Stabilization Reserve:** The Highlands Division Operating & Rate Stabilization Reserve (Operating Reserve) was established to manage cash flow, and stabilize rates and revenues. The Operating Reserve target for FY2023 for the Highlands Division is set to be an amount equal to six months of operating expenditures. Currently Highlands has met the six-month operating reserve. For FY2023, the Highlands Operating Reserve is at \$2,607,262, equivalent to six months of operating expenses. For FY2024, the Operating Reserve is projected to be under the targeted balance and a contribution of \$380,293 of additional funds are budgeted to bring the balance back up to the target.
- 2. Emergency Reserve:** The Highlands Division Emergency Reserve was established to provide for a full or partial source of funds for unplanned or emergency repair or replacement of Authority capital assets, excluding the Woodlands and GRP Divisions. The Emergency Reserve target fund balance for the General Fund was established to be a total of \$6,000,000, which is based on estimate amounts of \$2,500,000 for Lake Conroe, \$3,000,000 for the Highlands, and \$500,000 for the G&A Division. During FY2022 and FY2023, the Highlands Emergency Reserve was utilized to fund emergency repairs to a siphon at Spring Meadow. To recover the balance used for the Spring Meadow siphon repair, a contribution of \$1,000,000 was made to the Emergency Reserve during FY2023, an additional contribution of \$1,000,000 is budgeted for FY2024 with the remaining \$1,000,000 anticipated to be funded in FY2025.
- 3. Repair & Replacement (R&R Fund):** The Highlands Division Repair & Replacement Fund was established to fund large ongoing and planned projects to prevent significant rate fluctuations. The R&R is funded annually through pre-determined transfer of funds from the remaining funds available from the O&M budget after the Operating & Rate Stabilization Reserve and Emergency Reserve requirements are met. A contribution to the R&R fund of \$5,000,000 was budgeted for FY2023. This amount was reduced by \$1,000,000 compared to FY2022 to fund the Emergency Reserve contribution.

For FY2024, the net balance between O&M revenues and expenditures for the Highlands Division, including annual debt service and scheduled contributions to the two reserves and R&R Fund, is (\$17,273,469). This amount will be covered by the Raw Water Supply revenues, as provided by the Raw Water Enterprise.



**San Jacinto River Authority - Highlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2024	
<b>OPERATING REVENUES</b>						
Capital Contributions	\$ -	\$ 764,228	\$ 764,228	\$ -	\$ -	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ 764,228</b>	<b>\$ 764,228</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ 2,569	\$ 148,852	\$ 167,788	\$ -	\$ 36,000	
FEMA Grant Revenue	98	-	16	-	-	
Proceeds From Sale Of Assets	18,500	104,946	123,446	-	-	
Other Gains & Losses	3,110	629	3,740	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 24,278</b>	<b>\$ 254,427</b>	<b>\$ 294,990</b>	<b>\$ -</b>	<b>\$ 36,000</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 675,760	\$ 471,080	\$ 815,043	\$ 947,298	\$ 968,124	
Salary & Wage Allocation	1,152,424	783,712	1,357,595	1,523,033	1,646,311	
Staffing Services	88,019	16,942	50,257	100,000	75,000	
Compensated Absences	(3,815)	-	(3,815)	-	-	
Group Insurance	376,341	252,714	408,056	475,177	512,020	
Group Insurance - Retirees	12,192	7,282	12,387	13,356	13,920	
Group Insurance - Retiree OPEB	(83,503)	-	(83,503)	50,000	50,000	
Group Retirement Expense	153,478	131,789	192,428	271,737	295,507	
Workers Compensation Insurance	25,298	15,544	29,172	43,457	44,943	
Social Security Taxes	134,050	89,963	156,903	185,011	195,816	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 2,530,244</b>	<b>\$ 1,769,025</b>	<b>\$ 2,934,525</b>	<b>\$ 3,609,068</b>	<b>\$ 3,801,642</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 11,617	\$ 4,496	\$ 12,116	\$ 25,000	\$ 25,000	
Disclosure Filing	500	500	500	500	500	
Annual Financial Audit	10,936	8,500	11,235	14,000	14,000	
Arbitrage Rebate Audit	-	3,250	3,250	-	-	
Paying Agent Fees	5,500	750	3,000	4,500	2,250	
Engineering	15,687	-	-	60,000	65,000	
Crane Inspections	968	408	696	1,000	2,000	
Safety Inspections & Testing	713	-	213	2,000	2,000	
Siphon & Pipe Inspections	-	3,997	3,997	20,000	82,500	
Graphic Design	5,471	1,250	2,500	6,000	6,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 51,392</b>	<b>\$ 23,151</b>	<b>\$ 37,507</b>	<b>\$ 133,000</b>	<b>\$ 199,250</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 5,931	\$ 4,090	\$ 6,931	\$ 11,500	\$ 6,500	
State Fees	125	125	125	125	125	
Employee Testing- New	1,383	230	614	2,950	3,050	
Janitorial Services	6,780	3,210	5,885	6,420	7,000	
Stream Gauging & Water Quality-USGS	17,658	9,758	17,908	17,115	16,800	
South Canal CWA Water Conveyance	116,282	50,925	126,484	130,000	130,000	
East Canal CWA Water Conveyance	26,751	19,217	35,693	50,000	50,000	
Trucking	700	1,200	1,900	2,000	3,000	
Water Conservation & Public Education	28,314	6,757	24,829	8,000	55,694	
Website Hosting & Maintenance	-	-	-	-	1,067	
Meeting Expenses	3,903	3,344	6,170	2,500	4,000	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 207,827</b>	<b>\$ 98,856</b>	<b>\$ 226,539</b>	<b>\$ 230,610</b>	<b>\$ 277,236</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 2,471	\$ 1,069	\$ 3,169	\$ 3,500	\$ 3,500	
Other Office Expense	3,004	758	3,507	3,000	3,500	
Travel	949	820	820	2,500	5,000	
Automobile & Truck Expense	16,006	9,146	14,416	25,000	30,000	
Storm Preparedness & Response	206	-	114	1,500	2,500	
Postage	483	157	517	750	750	
Property Insurance	21,608	13,640	22,850	27,360	28,600	
Auto Insurance	18,236	11,279	18,592	25,740	25,740	
Liability Insurance	4,334	5,989	10,889	27,060	27,060	
Small Tools Purchases	6,493	1,703	6,903	10,000	10,000	
Training-External	5,808	1,030	2,548	10,000	31,700	
Training-Internal	-	30	30	500	-	

**San Jacinto River Authority - Highlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2024	
Training-Employee HR	6,961	207	4,149	11,250	12,700	
Managers Expense	891	213	1,104	500	2,000	
Employee Relations	2,396	2,650	3,843	3,000	4,000	
Fuel	48,323	34,962	60,778	40,000	60,000	
Uniform Services	4,371	4,980	6,574	6,000	10,000	
Operations Supplies	18,894	2,730	7,423	21,500	21,500	
Memberships & Professional Dues	1,226	482	1,514	400	840	
Signage	2,370	6,129	8,442	1,000	7,500	
Janitorial Supplies	591	181	479	1,000	2,000	
Copier, Scanner & Fax	6,882	3,571	6,394	7,500	3,520	
Utilities-Electric	8,187	4,367	8,576	12,000	15,000	
Utilities-Natural Gas	4,840	1,728	3,844	4,000	5,500	
Utilities-Water	1,098	687	1,329	1,700	1,700	
Utilities-Electric-LHPS Pumping Costs-Direct	104,815	57,433	110,385	100,000	150,000	
Utilities-Electric-ECTPS Pumping Costs-Direct	15,588	10,571	18,427	17,500	22,000	
Utilities-Electric-SCTPS Pumping Costs-Direct	11,569	6,463	13,928	16,000	16,000	
Pumping Costs-Indirect	24,292	10,424	22,567	18,000	25,000	
Personal Protective Equipment	3,669	3,258	4,568	4,800	8,150	
Safety Equipment & Meetings	11,567	2,669	12,979	3,000	12,500	
Health & Wellness Program	-	-	-	1,200	1,400	
Recruiting Expenses	2,012	1,022	2,683	7,500	13,500	
Computer Hardware	8,542	12,076	19,938	39,026	78,093	
Software & Support	98,002	59,394	103,856	53,302	179,138	
Software Maintenance	27,398	17,503	30,013	35,900	38,000	
Physical Security	3,774	3,090	6,864	12,863	17,000	
Network Communications	6,839	11,181	15,829	16,632	20,081	
Publications & Subscriptions	-	-	-	500	500	
Newspaper Ads	3,696	1,232	2,464	5,000	6,500	
Wireless Devices & Services	19,072	9,367	18,189	24,960	44,800	
Phone System-Install, Maintenance, & Changes	-	3,153	3,153	-	2,970	
Emergency Operations Communications	1,028	1,328	1,886	684	2,400	
Landline Telephone Services	805	2,978	3,460	4,200	720	
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 529,295</b>	<b>\$ 321,649</b>	<b>\$ 589,992</b>	<b>\$ 607,827</b>	<b>\$ 953,362</b>	
<b>RENTALS</b>						
Equipment Rentals	\$ 51,785	\$ 97,608	\$ 139,768	\$ 166,000	\$ 136,000	
Fiber Rental	-	-	(36,120)	61,920	-	
<b>TOTAL RENTALS</b>	<b>\$ 51,785</b>	<b>\$ 97,608</b>	<b>\$ 103,648</b>	<b>\$ 227,920</b>	<b>\$ 136,000</b>	
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Office, Furniture, & Fixtures	\$ 1,033	\$ 617	\$ 1,650	\$ 2,500	\$ 7,000	
Buildings & Grounds Maintenance	41,900	11,509	29,857	26,800	57,000	
Security System Monitoring	360	585	585	800	800	
Generators	12,792	3,482	14,917	19,500	22,000	
Machinery, Tools, & Implements	85,083	33,560	53,562	60,000	50,000	
Instrumentation Equipment & Parts	20,429	15,994	20,604	68,400	55,500	
Bridges, Culverts, & Siphons	259,381	231	(44,003)	65,000	90,000	
Networking and Communications - SCADA	30,236	18,070	48,306	3,100	36,100	
Canals, Levees, & Dams-Maintenance & Repairs	1,201	12,484	13,429	45,000	90,000	
Invasive Species Management	50,814	2,309	43,430	40,000	50,000	
Streets & Roads	19,836	-	19,836	30,000	30,000	
Lake Houston Pump Station Maintenance & Repairs	11,946	14,749	25,876	20,000	25,000	
East Canal Pump Station Maintenance & Repairs	17,365	1,463	18,827	10,000	10,000	
South Canal Pump Station Maintenance & Repairs	15,251	18,607	33,858	15,000	75,000	
Inventory Gains and Losses	(778)	-	(778)	-	-	
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 566,850</b>	<b>\$ 133,660</b>	<b>\$ 279,957</b>	<b>\$ 406,100</b>	<b>\$ 598,400</b>	
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 124,392	\$ 233,243	\$ 183,119	\$ 507,569	\$ 585,242	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 124,392</b>	<b>\$ 233,243</b>	<b>\$ 183,119</b>	<b>\$ 507,569</b>	<b>\$ 585,242</b>	

**San Jacinto River Authority - Highlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>NON-OPERATING EXPENSES</b>					
Interest Expense	\$ 1,738,441	\$ 967,896	\$ 1,682,556	\$ 1,655,366	\$ 1,586,692
Interest Expense - Lease	4,035	3,134	7,168	-	4,492
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 1,742,475</b>	<b>\$ 971,030</b>	<b>\$ 1,689,724</b>	<b>\$ 1,655,366</b>	<b>\$ 1,591,184</b>
<b>TOTAL EXPENSES</b>	<b>\$ 5,804,261</b>	<b>\$ 3,648,221</b>	<b>\$ 6,045,010</b>	<b>\$ 7,377,460</b>	<b>\$ 8,142,315</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (5,779,983)</b>	<b>\$ (2,629,566)</b>	<b>\$ (4,985,792)</b>	<b>\$ (7,377,460)</b>	<b>\$ (8,106,315)</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Capital Improvements				\$ -	\$ 35,000
Highlands Improvements				35,000	20,000
Maintenance Equipment				-	170,000
Transportation Equipment				235,000	55,000
Software				540	1,615
Computer Equipment				124,265	209,514
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 394,805</b>	<b>\$ 491,129</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 105,000	\$ -
Bond Principal				(1,995,000)	(2,064,167)
Lease Principal				-	(51,565)
Operating Reserve Fund				(54,424)	(380,293)
Emergency Reserve Fund				(1,000,000)	(1,000,000)
Repair and Replacement Transfers				(5,000,000)	(5,180,000)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (7,944,424)</b>	<b>\$ (8,676,025)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (5,779,983)</b>	<b>\$ (2,629,566)</b>	<b>\$ (4,985,792)</b>	<b>\$ (15,716,689)</b>	<b>\$ (17,273,469)</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - Highlands Repair and Replacement**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OTHER REVENUES</b>					
Interest Income	\$ 66,544	\$ 322,139	\$ 384,730	\$ -	\$ 180,000
Other Gains & Losses	11	-	11	-	-
<b>TOTAL OTHER REVENUES</b>	<b>\$ 66,555</b>	<b>\$ 322,139</b>	<b>\$ 384,741</b>	<b>\$ -</b>	<b>\$ 180,000</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Engineering	\$ 29,967	\$ 895	\$ 895	\$ -	\$ 24,000
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 29,967</b>	<b>\$ 895</b>	<b>\$ 895</b>	<b>\$ -</b>	<b>\$ 24,000</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>					
Networking and Communications - SCADA	\$ 280	\$ -	\$ -	\$ -	-
Canals, Levees, & Dams-Maintenance & Repairs	63,913	180,883	235,169	2,946,000	6,668,000
Lake Houston Pump Station Maintenance & Repairs	-	-	-	30,000	678,000
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 64,193</b>	<b>\$ 180,883</b>	<b>\$ 235,169</b>	<b>\$ 2,976,000</b>	<b>\$ 7,346,000</b>
<b>TOTAL EXPENSES</b>	<b>\$ 94,160</b>	<b>\$ 181,778</b>	<b>\$ 236,064</b>	<b>\$ 2,976,000</b>	<b>\$ 7,370,000</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (27,606)</b>	<b>\$ 140,361</b>	<b>\$ 148,677</b>	<b>\$ (2,976,000)</b>	<b>\$ (7,190,000)</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Office Buildings				\$ 667,000	\$ 96,000
Highlands Improvements				6,305,000	4,472,000
Software				375,000	-
Radio Communications Equipment				34,000	-
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 7,381,000</b>	<b>\$ 4,568,000</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 12,940,025	\$ 12,385,118
Repair and Replacement Transfers				5,000,000	5,180,000
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 17,940,025</b>	<b>\$ 17,565,118</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (27,606)</b>	<b>\$ 140,361</b>	<b>\$ 148,677</b>	<b>\$ 7,583,025</b>	<b>\$ 5,807,118</b>

\*Actuals intentionally left blank.



# Lake Conroe Division

## LAKE CONROE DIVISION

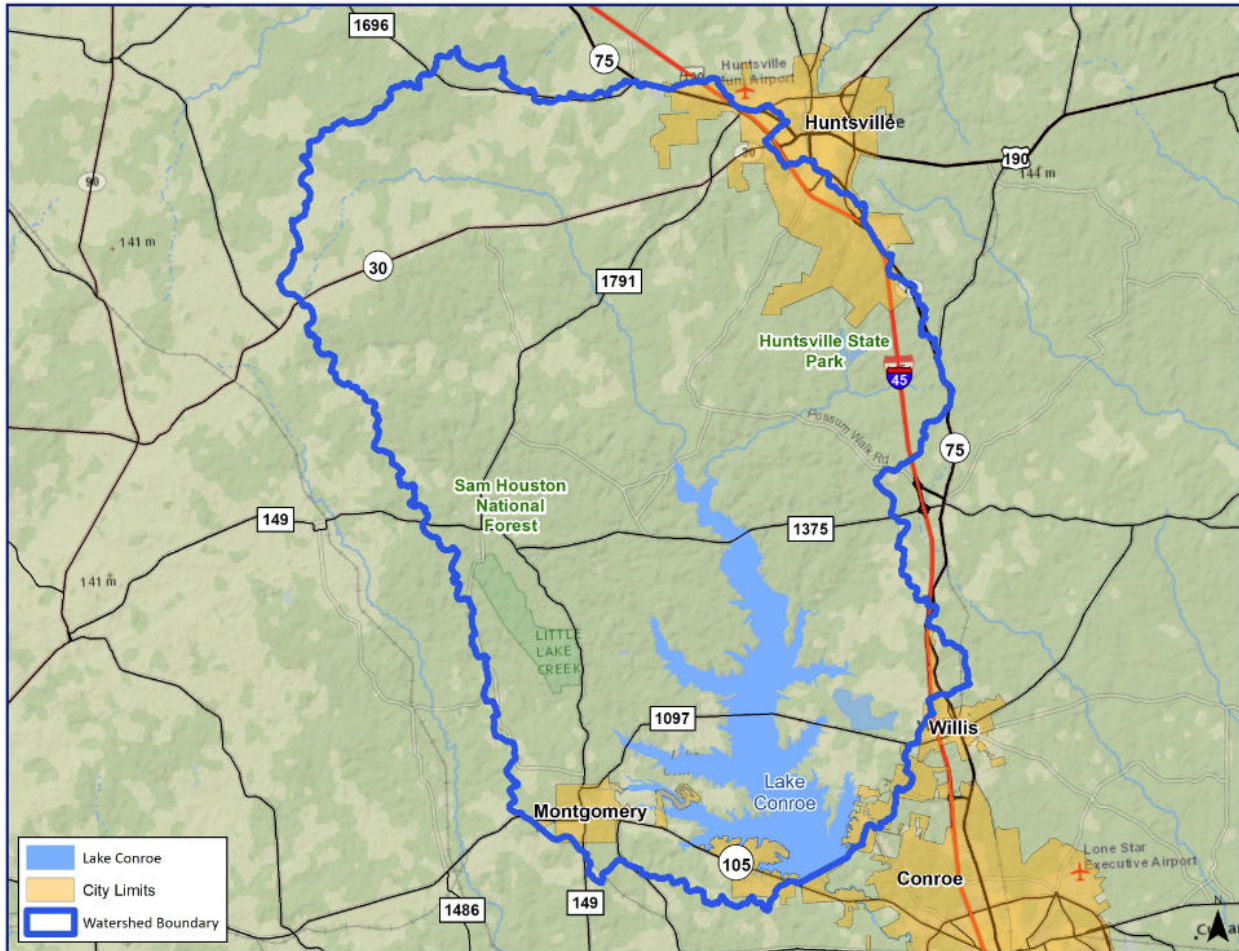
---

The Lake Conroe Division is responsible for managing the resources of the Lake Conroe dam and reservoir. Completed in 1973, Lake Conroe was constructed through a joint venture partnership between the Authority and the City of Houston and was constructed as a long-term water supply reservoir. The Authority holds water rights for one-third of the annual permitted yield of Lake Conroe, while the City of Houston holds the other two-thirds of the water rights. As a two-thirds owner in Lake Conroe, the City of Houston reimburses roughly two-thirds of the Lake Conroe Division expenses. The Lake Conroe Division's primary responsibilities are:

- Operate and maintain the Lake Conroe dam, spillway structure, and service outlet;
- perform water quality initiatives as identified in the Lake Conroe Watershed Protection Plan, including permitting and inspection of on-site sewage systems around Lake Conroe;
- administer licensing programs for residential docks, piers, marinas, commercial operations, all for the purpose of ensuring safe navigation and recreation;
- manage native-vegetation restoration and invasive-vegetation control program;
- construct and deploy artificial fish habitat;
- facilitate zebra mussel monitoring and inspection program;
- monitor the construction of permanent structures and other encroachments onto Authority lands including the reservoir; and
- enforce the rules and regulations for the Lake Conroe reservoir.



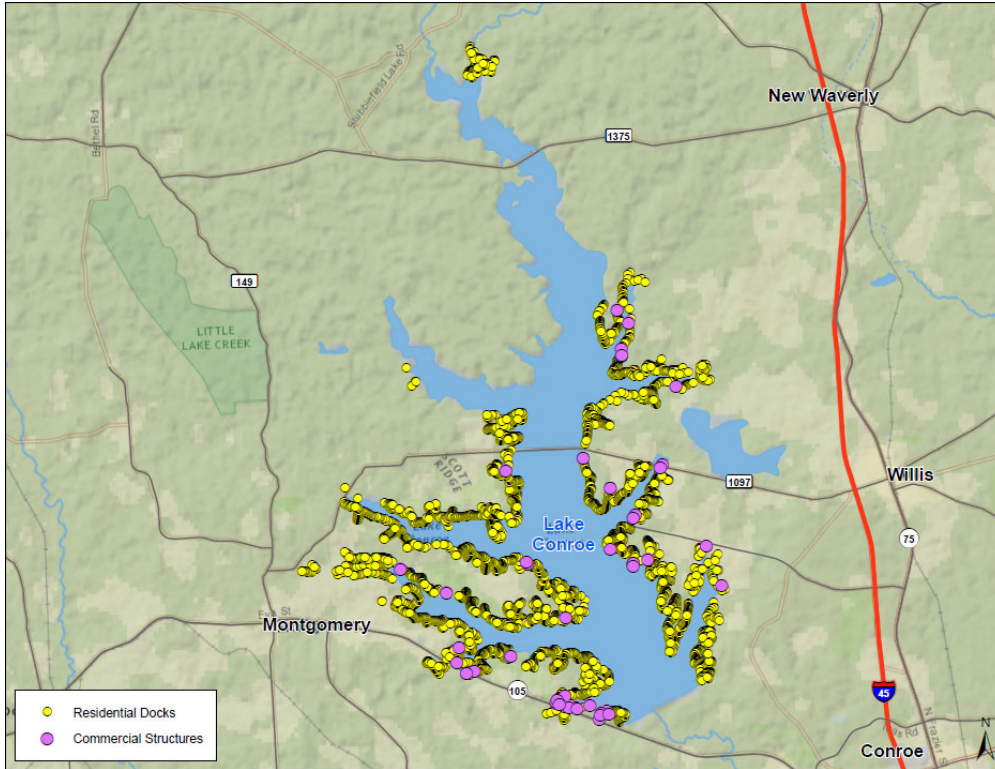
## MAP OF LAKE CONROE WATERSHED



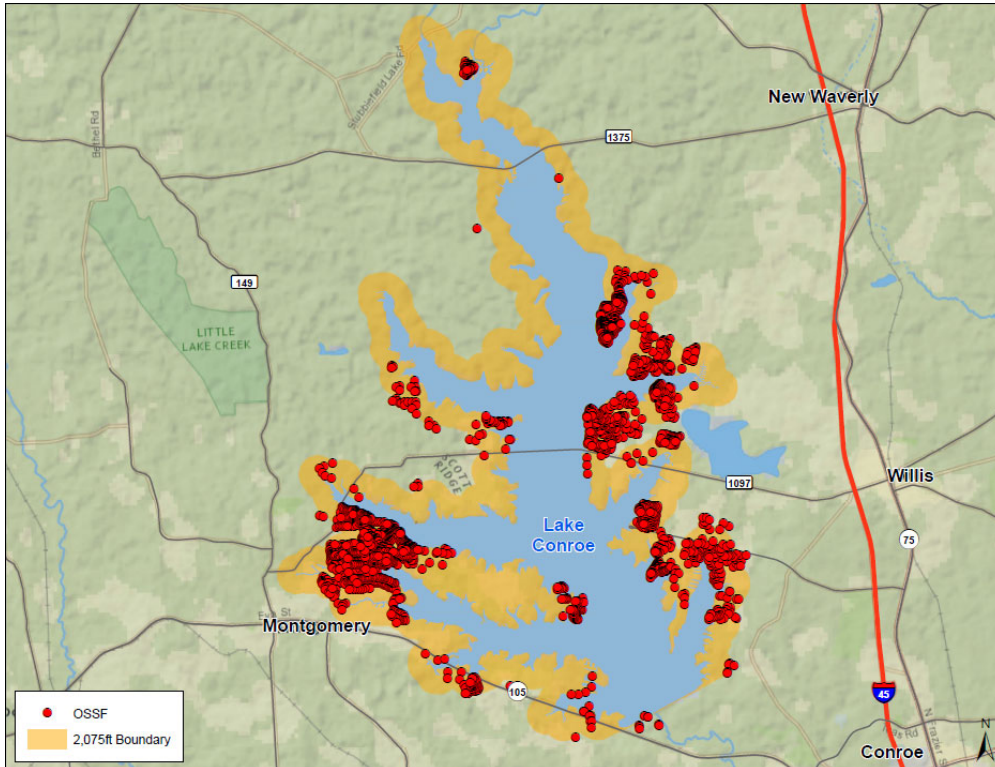
As permitted by the State of Texas, the annual yield of Lake Conroe is 100,000 acre-feet (ac-ft) per year, with the Authority's portion being 33,333 ac-ft per year and the City of Houston's portion being 66,667 ac-ft per year. Lake Conroe was formed by the creation of a 2.2-mile-long earthen dam and gated spillway on the West Fork of the San Jacinto River. The reservoir covers an area of approximately 20,000 surface acres within Montgomery and Walker Counties. When full (water level at 201 feet above mean sea-level) the reservoir impounds approximately 400,000 ac-ft of water. There are approximately 4,500 commercial and residential dock structures currently permitted on Lake Conroe and 2,500 on-site sewage systems (OSSFs) permitted within a 2,075 feet perimeter around the shoreline of the reservoir.



### MAP OF RESIDENTIAL AND COMMERCIAL DOCKS ON LAKE CONROE



### MAP OF ON-SITE SEWAGE FACILITIES (OSSFS) ON LAKE CONROE





**Major Initiatives:** Several major initiatives to improve the operations and maintenance of the Lake Conroe Dam occurred in FY2023 or are planned for FY2024.

- 1. Maintenance Facility Improvements:** The Division’s current Maintenance Facility was constructed during the original construction of the dam and is in disrepair due to age and exposure to the elements. During FY2022, the Division began design of a new Maintenance Facility to be constructed near the existing facility. The new facility is planned to provide sufficient workspace, equipment storage, and additional functionality for emergency operations and is expected to increase efficiency, safety, and maintenance capabilities of the Lake Conroe Division staff. Construction is anticipated to begin in late FY2024.
  
- 2. West End Facility Improvements:** Facility improvements at the west end of the dam include rehabilitating the electrical components at the existing boat dock, followed by replacing the existing boat ramp. The project is required to ensure safe access to Lake Conroe. The existing electrical components for the boat dock and fuel dispensing station require upgrading. The existing boat ramp will be lengthened for use during drought conditions and poured as a single slab to replace the existing ramp configuration.
  
- 3. Dam Spillway Generator Replacement:** During FY2024, the Lake Conroe Division is anticipating to begin design to replace an existing diesel generator, that is not currently in service, at the Lake Conroe Dam main spillway with a natural gas generator. This generator will provide reliable emergency power to the primary spillway gates and lighting.

**Capital Improvement and Other Project Plans:** Each year the Lake Conroe Division conducts risk assessments and evaluations of their infrastructure. The Division reviews the likelihood and consequences of failure of each asset and then prioritizes projects based on a variety of factors related to reliable, cost-effective service. Projects included within Lake Conroe’s Project Plan for FY2024 are to be funded from R&R funds and may extend over multiple fiscal years. The Lake Conroe Division included the following projects in the FY2024 budget for design and/or construction:

<b>Lake Conroe - Projects</b>	Stage	Est. FY2024 Cost	Funding Source
Maintenance Facilities Improvements	Construction	\$ 2,000,000	R&R
Water conservation and Drought Contingency Plans	Plan/Permit	\$ 20,000	R&R
Dam Spillway Generator Replacement	Design	\$ 39,000	R&R
<b>Total</b>		<b>\$ 2,059,000</b>	

**Total Indebtedness and Annual Debt Service:** The Lake Conroe Division does not have any indebtedness as of FY2023 and has no plans for future indebtedness in FY2024 or beyond.

**Staffing Plans:** The Lake Conroe Division’s staffing plan for FY2024 includes 13 direct FTE positions, with no part-time, temporary, or intern positions. Of these 13 direct FTE positions, Lake Conroe allocates 0.79 FTEs to other divisions, leaving 12.21 FTEs allocated directly to Lake Conroe. In addition to these 12.21 FTEs, the Division is allocated 13.09 FTEs for FY2024 from G&A Departments. The net total FY2024 FTEs associated with the Lake Conroe Division, direct and allocated, is 25.29 FTEs.

**Revenues:** Since the City of Houston is a two-thirds partner with the Authority in the annual operation and maintenance of Lake Conroe, the City of Houston’s two-thirds reimbursement of normal and customary O&M expenses for FY2024 is \$4,348,658.

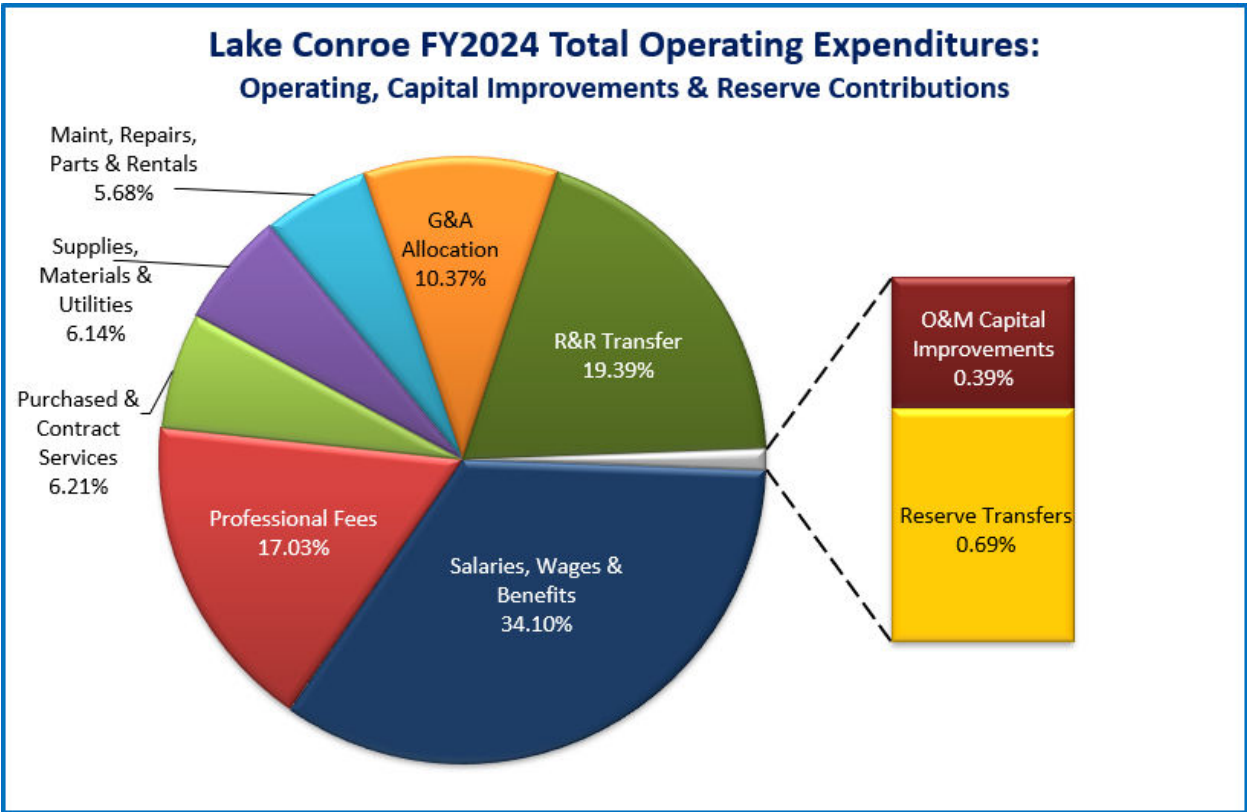
Additionally, the Lake Conroe Division issues licenses for commercial businesses operating on the lake, permits for commercial and residential docks, and permits for the installation of OSSFs. Annual permits are required for all boat docks on Lake Conroe. The Division forecasts the number and size of commercial and residential docks each year based on historical permits. Docks fees are expected to remain the same for FY2024 at \$0.188 per square-foot. Revenue from dock fees and other residential and commercial licensing and permitting activities on the lake is projected to be \$1,212,470. In accordance with TCEQ rules, any installation of an OSSF within 2,075 feet of the reservoir shoreline requires a permit from the Authority. Revenues generated by OSSF permits is forecasted to be \$20,600 for FY2024.

Expected total revenues for the Lake Conroe Division for FY2024 totals \$5,603,018.

**Expenditures:** The Lake Conroe Division for FY2024 contains regular and customary expenses related to the on-going operation and maintenance of the Lake Conroe reservoir. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- G&A Allocations
- O&M Capital Improvements (non-bond related)
- Reserve Contributions (if needed)
- R&R Fund Contributions

Expected total O&M expenditures for the Lake Conroe Division for FY2024, including operating, capital improvements, and any other cash uses, totals \$9,942,730. Lake Conroe expected R&R Fund operating expenses and capital improvements, totals \$1,008,517. Please note, Capital Improvements is presented net of City of Houston’s two-thirds share.



**Fund Balance and Reserves:** The Authority’s General Fund Balance combines to cover the Raw Water Enterprise, which is made up of the Raw Water Supply, Highlands Division, and Lake Conroe Division, as well as the G&A Division.

As approved by the Board of Directors on March 24, 2022, the reserve policy for the Lake Conroe Division utilizes two reserves and an R&R Fund: It should be noted that the two reserves for Lake Conroe are based on the Authority’s one-third portion of the Lake Conroe Division excluding the City of Houston’s two-thirds portion.

1. **Operating & Rate Stabilization Reserve:** The Lake Conroe Division Operating & Rate Stabilization Reserve (Operating Reserve) was established to manage cash flow, and stabilize rates and revenues. The Operating Reserve target for FY2024 for the Lake Conroe Division is set to be an amount equal to six months of operating expenditures. Currently Lake Conroe has met the six-month operating reserve. For FY2023, the Lake Conroe Operating Reserve is at \$1,194,924, equivalent to six months of operating expenses. For FY2024, the Operating Reserve is projected to be under the targeted balance and a contribution of \$68,647 of additional funds are budgeted to bring the balance back up to the target.
2. **Emergency Reserve:** The Lake Conroe Division Emergency Reserve was established to provide for a full or partial source of funds for unplanned or emergency repair or replacement of Authority capital assets, excluding the Woodlands and GRP Divisions. The Emergency Reserve target fund balance was established to be a total of \$6,000,000, which is based on estimate amounts of

\$2,500,000 for Lake Conroe, \$3,000,000 for the Highlands, and \$500,000 for the G&A Division. For FY2024, the Lake Conroe Emergency Reserve is fully funded, and no funds were budgeted for the Emergency Reserve.

- 3. *Repair & Replacement (R&R Fund):*** The Lake Conroe Division Repair & Replacement Fund was established to fund large ongoing and planned projects to prevent significant rate fluctuations, funded annually through pre-determined transfer of funds from the remaining funds available from the O&M budget after the Operating & Rate Stabilization Reserve and Emergency Reserve requirements are met. A contribution of \$1,250,000 to the R&R Fund was budgeted for FY2024.

For FY2024, the net balance between O&M revenues and expenditures for the Lake Conroe Division, including scheduled contributions to any of the two reserves and an R&R Fund, is (\$4,339,712). This amount will be covered by the Raw Water Supply revenues, as provided by the Raw Water Enterprise.

**San Jacinto River Authority - Lake Conroe**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022- Mar 2023	FY2023	FY2024	
<b>OPERATING REVENUES</b>						
Permits, Licenses, & Fees - Residential	\$ 706,997	\$ 371,809	\$ 725,031	\$ 675,000	\$ 723,621	
Permits, Licenses & Fees - Commercial	478,947	213,663	447,703	442,423	468,249	
Fines	7,263	4,470	7,393	-	-	
Septic Tank Licenses	24,960	8,940	17,020	20,600	20,600	
City of Houston Share of Lake Conroe Operations	3,485,433	1,540,405	3,140,332	4,195,080	4,348,658	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 4,703,600</b>	<b>\$ 2,139,288</b>	<b>\$ 4,337,479</b>	<b>\$ 5,333,103</b>	<b>\$ 5,561,128</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ 10,072	\$ 52,924	\$ 62,006	\$ -	\$ 36,000	
Office Rental Revenue	5,890	-	5,890	-	5,890	
FEMA Grant Revenue	159	-	26	-	-	
Proceeds From Sale Of Assets	69,846	6,655	33,955	-	-	
Other Gains & Losses	2,264	75,711	77,475	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 88,230</b>	<b>\$ 135,290</b>	<b>\$ 179,352</b>	<b>\$ -</b>	<b>\$ 41,890</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 893,361	\$ 470,125	\$ 900,516	\$ 932,896	\$ 930,334	
Salary & Wage Allocation	1,197,291	613,112	1,198,541	1,429,952	1,364,167	
Staffing Services	37,854	4,326	22,486	75,000	50,000	
Compensated Absences	15,371	-	15,371	-	-	
Group Insurance	542,391	301,652	519,356	493,119	501,470	
Group Insurance - Retirees	24,384	14,563	24,774	26,712	27,840	
Group Insurance - Retiree OPEB	(156,533)	-	(156,533)	50,000	50,000	
Group Retirement Expense	211,940	136,215	225,346	259,913	264,338	
Workers Compensation Insurance	26,091	8,025	21,479	36,326	31,731	
Social Security Taxes	150,805	75,282	148,088	176,833	170,562	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 2,942,954</b>	<b>\$ 1,623,300</b>	<b>\$ 2,919,424</b>	<b>\$ 3,480,751</b>	<b>\$ 3,390,443</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 1,191,523	\$ 340,401	\$ 826,998	\$ 1,560,000	\$ 1,560,000	
Legal Fees-Enforcement	21,750	11,393	19,329	20,000	20,000	
Annual Financial Audit	11,718	10,929	14,447	18,000	18,000	
Engineering	2,746	6,352	8,127	80,000	80,000	
Crane Inspections	3,019	960	1,824	-	3,840	
Safety Inspections & Testing	384	2,120	2,333	5,000	5,000	
Graphic Design	4,221	2,500	2,500	6,000	6,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,235,361</b>	<b>\$ 374,655</b>	<b>\$ 875,558</b>	<b>\$ 1,689,000</b>	<b>\$ 1,692,840</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 6,281	\$ 5,016	\$ 8,685	\$ 4,500	\$ 6,000	
State Fees	650	200	400	1,000	1,000	
Patrolling & Security Services	349,796	162,814	290,729	300,000	400,000	
Employee Testing- New	995	228	228	2,485	2,300	
Janitorial Services	15,179	7,875	12,820	10,500	11,025	
Stream Gauging & Water Quality-USGS	76,646	76,221	111,596	173,000	140,650	
Water Conservation & Public Education	28,314	6,107	24,179	37,000	55,694	
Website Hosting & Maintenance	-	-	-	-	886	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 477,862</b>	<b>\$ 258,461</b>	<b>\$ 448,638</b>	<b>\$ 528,485</b>	<b>\$ 617,555</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 2,820	\$ 1,927	\$ 2,952	\$ 5,000	\$ 5,000	
Other Office Expense	1,373	810	1,827	2,500	2,500	
Travel	5,679	6,621	10,344	18,570	16,320	
Automobile & Truck Expense	24,935	9,144	26,351	27,500	25,500	
Storm Preparedness & Response	235	-	235	6,000	4,000	
Postage	10,902	8,358	13,334	14,100	14,250	
Property Insurance	14,544	7,238	12,149	16,560	18,200	
Auto Insurance	12,318	7,282	12,570	20,328	20,328	
Liability Insurance	9,009	5,322	9,478	20,856	20,856	
Training-External	6,509	3,120	6,810	9,555	13,265	
Training-Internal	130	229	229	500	-	
Training-Employee HR	6,328	581	4,164	11,075	10,100	
Managers Expense	5,068	2,954	5,694	3,000	5,000	

**San Jacinto River Authority - Lake Conroe**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2023	FY2024
Fuel	39,083	20,401	45,982	38,300	44,000	
Uniform Services	4,568	3,969	5,433	4,600	4,600	
Supplies - Lab	3,587	572	3,925	1,500	1,500	
Operations Supplies	3,839	879	3,552	6,950	8,000	
Memberships & Professional Dues	1,483	646	1,666	1,899	2,301	
Signage	3,037	276	3,280	2,000	2,000	
Janitorial Supplies	1,177	934	1,349	1,000	2,000	
Copier, Scanner & Fax	5,238	2,890	4,926	5,950	6,100	
Utilities-Electric	36,341	13,182	25,322	25,000	25,000	
Utilities-Natural Gas	3,006	561	2,106	4,000	2,000	
Personal Protective Equipment	4,521	1,469	5,053	4,250	5,500	
Safety Equipment & Meetings	4,911	3,890	5,223	7,500	7,500	
Health & Wellness Program	-	-	-	1,180	1,070	
Recruiting Expenses	2,389	633	2,702	7,375	7,800	
Computer Hardware	8,373	7,462	13,076	20,035	78,517	
Software & Support	124,440	73,272	128,854	86,165	180,473	
Software Maintenance	2,685	1,067	2,280	2,300	2,700	
Physical Security	-	-	-	11,288	17,000	
Network Communications	6,842	3,903	6,809	3,774	11,650	
Newspaper Ads	1,056	-	1,056	2,500	3,900	
Wireless Devices & Services	17,196	7,102	15,010	16,661	29,100	
Phone System-Install, Maintenance, & Changes	-	4,163	4,163	419	3,188	
Emergency Operations Communications	-	-	-	-	1,800	
Landline Telephone Services	5,924	4,983	7,784	2,549	7,203	
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 379,545</b>	<b>\$ 205,837</b>	<b>\$ 395,689</b>	<b>\$ 412,739</b>	<b>\$ 610,220</b>	
<b>RENTALS</b>						
Equipment Rentals	\$ 3,145	\$ 694	\$ 1,138	\$ 20,000	\$ 20,000	
Office Rent	25,206	14,704	25,206	25,206	25,206	
Rent-U.S. Forest Lands	16,697	11,131	18,088	16,697	20,036	
<b>TOTAL RENTALS</b>	<b>\$ 45,048</b>	<b>\$ 26,529</b>	<b>\$ 44,433</b>	<b>\$ 61,903</b>	<b>\$ 65,242</b>	
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Instrumentation	\$ 7,853	\$ 5,863	\$ 9,625	\$ 30,200	\$ 30,200	
Office, Furniture, & Fixtures	3,308	400	1,171	1,500	1,500	
Buildings & Grounds Maintenance	51,824	18,511	51,657	80,000	80,000	
Generators	3,548	456	671	6,000	6,000	
Machinery, Tools, & Implements	33,292	12,986	33,143	35,250	37,750	
Boat Maintenance & Repairs	6,531	5,515	6,774	13,000	13,000	
Instrumentation Equipment & Parts	5,851	652	5,461	13,800	9,800	
Networking and Communications - SCADA	-	-	-	800	-	
Canals, Levees, & Dams-Maintenance & Repairs	65,820	16,237	23,516	80,000	170,000	
Clearing	11,786	2,800	3,552	10,000	10,000	
Invasive Species Management	218,527	47,997	237,454	80,000	83,750	
Streets & Roads	17,010	12,204	12,579	35,000	35,000	
Ayer Island Maint & Repair	47,026	-	47,026	15,000	15,000	
Lake Conroe Park Maint & Repair	16,600	-	-	-	-	
Gates & Fencing Repairs	6,229	10,674	10,746	11,500	7,500	
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 495,205</b>	<b>\$ 134,295</b>	<b>\$ 443,377</b>	<b>\$ 412,050</b>	<b>\$ 499,500</b>	
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 833,691	\$ 399,316	\$ 774,707	\$ 987,739	\$ 1,031,370	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 833,691</b>	<b>\$ 399,316</b>	<b>\$ 774,707</b>	<b>\$ 987,739</b>	<b>\$ 1,031,370</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 6,409,667</b>	<b>\$ 3,022,393</b>	<b>\$ 5,901,825</b>	<b>\$ 7,572,667</b>	<b>\$ 7,907,170</b>	
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (1,617,837)</b>	<b>\$ (747,815)</b>	<b>\$ (1,384,995)</b>	<b>\$ (2,239,565)</b>	<b>\$ (2,304,152)</b>	
<b>CAPITAL IMPROVEMENTS*</b>						
Dam Rehabilitation				\$ 5,000	\$ -	
Maintenance Equipment				6,000	-	
Transportation Equipment				16,667	16,667	
Software				180	893	
Computer Equipment				1,422	21,423	
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 29,268</b>	<b>\$ 38,982</b>	

**San Jacinto River Authority - Lake Conroe**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OTHER SOURCES (USES)*</b>					
Operating Reserve Fund				\$ (206,718)	\$ (68,647)
Repair and Replacement Transfers				(1,250,000)	(1,927,932)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (1,456,718)</b>	<b>\$ (1,996,578)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (1,617,837)</b>	<b>\$ (747,815)</b>	<b>\$ (1,384,995)</b>	<b>\$ (3,725,551)</b>	<b>\$ (4,339,712)</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - Lake Conroe Repair and Replacement**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OPERATING REVENUES</b>					
City of Houston Share of Lake Conroe Operations	\$ 426,512	\$ 108,194	\$ 372,727	\$ 398,250	\$ 219,233
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 426,512</b>	<b>\$ 108,194</b>	<b>\$ 372,727</b>	<b>\$ 398,250</b>	<b>\$ 219,233</b>
<b>OTHER REVENUES</b>					
Interest Income	\$ 15,257	\$ 54,689	\$ 68,646	\$ -	\$ 36,000
Grant Revenue	15,000	-	-	-	-
Other Gains & Losses	19	-	19	-	-
<b>TOTAL OTHER REVENUES</b>	<b>\$ 30,276</b>	<b>\$ 54,689</b>	<b>\$ 68,665</b>	<b>\$ -</b>	<b>\$ 36,000</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Engineering	\$ 44,162	\$ 21,185	\$ 60,591	\$ 50,000	\$ 20,000
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 44,162</b>	<b>\$ 21,185</b>	<b>\$ 60,591</b>	<b>\$ 50,000</b>	<b>\$ 20,000</b>
<b>PURCHASED &amp; CONTRACTED SERVICES</b>					
Stream Gauging & Water Quality-USGS	\$ 96,000	\$ 32,000	\$ 96,000	\$ -	\$ -
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 96,000</b>	<b>\$ 32,000</b>	<b>\$ 96,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>					
Canals, Levees, & Dams-Maintenance & Repairs	\$ 181,132	\$ 107,278	\$ 204,309	\$ 203,500	\$ -
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 181,132</b>	<b>\$ 107,278</b>	<b>\$ 204,309</b>	<b>\$ 203,500</b>	<b>\$ -</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>					
General & Administrative Expense Allocated	\$ 333,494	\$ 45,749	\$ 242,130	\$ 343,875	\$ 308,850
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 333,494</b>	<b>\$ 45,749</b>	<b>\$ 242,130</b>	<b>\$ 343,875</b>	<b>\$ 308,850</b>
<b>TOTAL EXPENSES</b>	<b>\$ 654,787</b>	<b>\$ 206,212</b>	<b>\$ 603,030</b>	<b>\$ 597,375</b>	<b>\$ 328,850</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (197,999)</b>	<b>\$ (43,329)</b>	<b>\$ (161,638)</b>	<b>\$ (199,125)</b>	<b>\$ (73,617)</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Office Buildings				\$ 538,000	\$ 666,667
Dam Rehabilitation				16,667	13,000
Software				125,000	-
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 679,667</b>	<b>\$ 679,667</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 3,179,468	\$ 2,744,422
Repair and Replacement Transfers				1,250,000	1,927,932
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 4,429,468</b>	<b>\$ 4,672,354</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (197,999)</b>	<b>\$ (43,329)</b>	<b>\$ (161,638)</b>	<b>\$ 3,550,676</b>	<b>\$ 3,919,070</b>

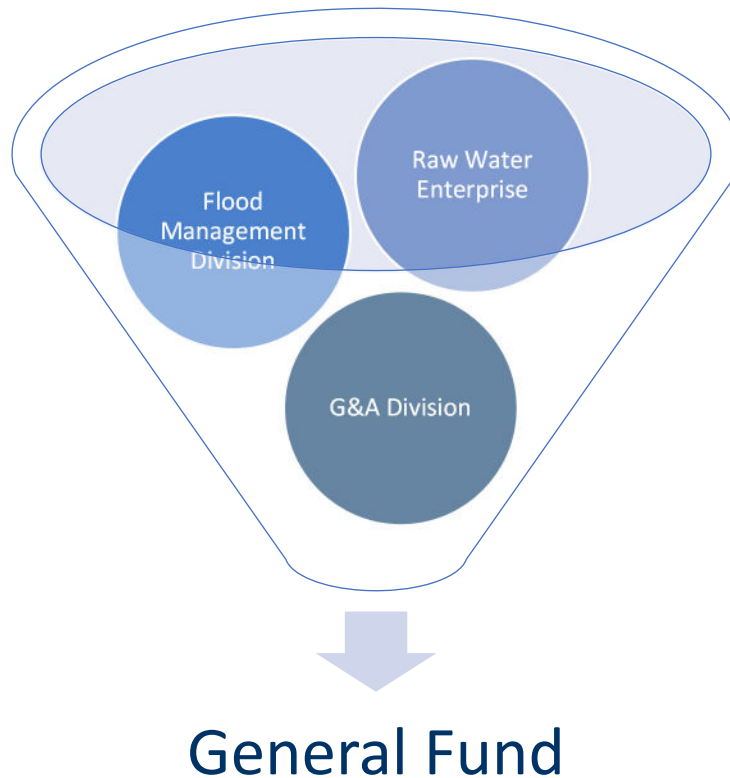
\*Actuals intentionally left blank.



## RAW WATER ENTERPRISE SUMMARY

---

Collectively the Raw Water Enterprise (made up of the Raw Water Supply, the Highlands and Lake Conroe Divisions), the Flood Management Division, and any remaining expenses from the General and Administration (G&A) Division that are not otherwise allocated to other divisions, make up the General Fund for the San Jacinto River Authority.



**Fund Balance:** For FY2024, the net balance of O&M revenues and expenditures, including annual debt service payments, scheduled contributions to either of the two reserves or R&R Funds for the Raw Water Enterprise, Flood Management, and any remaining expenses from the G&A Division after allocations, is (\$1,269,717).

In the Lake Conroe Repair and Replacement (R&R) Fund, the City of Houston's Share of budgeted Lake Conroe Operations and Capital Improvements of \$1,578,567, less General & Administrative Expense Allocated of \$308,850, totals to a net revenue of \$1,269,717. This net revenue does not increase the balance of the R&R Funds, but remains in the General Fund to offset the net expenses from Lake Conroe Operations and Maintenance (O&M). Please note, Lake Conroe's Capital Improvements is presented in the following reports net of City of Houston's two-thirds Share.

The net balance of O&M revenues and expenditures of (\$1,269,717) and the net of City of Houston Share and G&A Allocations from the Lake Conroe R&R Fund of \$1,269,717 is \$0.

**San Jacinto River Authority - Raw Water Enterprise Operating Summary**  
**(Raw Water Supply, Highlands, Lake Conroe, Flood Management, and General and Administration)**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2024	
<b>OPERATING REVENUES</b>						
General Industrial Water Revenue	\$ 15,952,347	\$ 9,599,660	\$ 16,399,975	\$ 16,688,746	\$ 17,912,781	
General Industrial Water Revenue-Lake Customers	1,290,275	782,469	1,325,406	1,362,585	1,456,070	
Water Sales-Municipal	2,788,506	1,481,092	2,808,576	3,668,215	3,962,679	
Water Sales-Commercial	165,812	100,462	169,249	156,399	182,675	
Lawn Irrigation Fees	115,950	74,146	118,096	105,000	115,650	
Water Sales-Reclaimed Groundwater	17,427	9,164	18,329	15,000	18,330	
Water Sales-Irrigation	4,191	2,576	5,383	5,387	3,704	
Permits, Licenses, & Fees - Residential	706,997	371,809	725,031	675,000	723,621	
Permits, Licenses & Fees - Commercial	478,947	213,663	447,703	442,423	468,249	
Fines	7,813	4,569	7,752	-	-	
SJRA Reservation Fee	454,413	324,887	480,509	299,054	318,664	
Industrial Reservation Fee	401,191	249,674	415,830	438,083	468,077	
Municipal Reservation Fee	46,080	27,818	47,325	48,676	-	
Septic Tank Licenses	24,960	8,940	17,020	20,600	20,600	
City of Houston Share of Lake Conroe Operations	3,485,433	1,540,405	3,140,332	4,195,080	4,348,658	
Capital Contributions	-	764,228	764,228	-	-	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 25,940,342</b>	<b>\$ 15,555,562</b>	<b>\$ 26,890,743</b>	<b>\$ 28,120,248</b>	<b>\$ 29,999,758</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ 12,280	\$ 201,777	\$ 229,407	\$ -	\$ 72,000	
Office Rental Revenue	5,890	-	5,890	-	5,890	
FEMA Grant Revenue	257	-	43	-	-	
Proceeds From Sale Of Assets	88,346	111,601	157,401	-	-	
Other Gains & Losses	5,375	76,340	81,215	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 112,147</b>	<b>\$ 389,718</b>	<b>\$ 473,955</b>	<b>\$ -</b>	<b>\$ 77,890</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 1,569,121	\$ 941,205	\$ 1,715,560	\$ 1,880,194	\$ 1,898,458	
Salary & Wage Allocation	2,519,731	1,534,455	2,778,548	3,290,626	3,307,980	
Staffing Services	125,872	21,268	72,743	175,000	125,000	
Compensated Absences	11,556	-	11,556	-	-	
Group Insurance	948,865	584,391	971,479	1,024,213	1,061,694	
Group Insurance - Retirees	36,576	21,845	37,161	40,068	41,760	
Group Insurance - Retiree OPEB	(240,036)	-	(240,036)	100,000	100,000	
Group Retirement Expense	384,100	286,372	443,364	568,790	594,160	
Workers Compensation Insurance	52,510	24,608	52,299	83,792	78,701	
Social Security Taxes	296,573	174,362	320,027	386,166	387,016	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 5,704,869</b>	<b>\$ 3,588,506</b>	<b>\$ 6,162,701</b>	<b>\$ 7,548,849</b>	<b>\$ 7,594,769</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 1,276,290	\$ 374,812	\$ 918,003	\$ 1,819,000	\$ 1,685,000	
Disclosure Filing	500	500	500	1,000	1,000	
Legal Fees-Enforcement	21,750	11,393	19,329	20,000	20,000	
Annual Financial Audit	22,654	19,429	25,682	32,000	32,000	
Arbitrage Rebate Audit	-	3,250	3,250	-	-	
Paying Agent Fees	5,500	750	3,000	5,250	3,000	
Engineering	90,986	141,770	211,048	524,000	295,000	
Crane Inspections	3,987	1,368	2,520	1,000	5,840	
Safety Inspections & Testing	1,097	2,120	2,547	7,000	7,000	
Siphon & Pipe Inspections	-	3,997	3,997	20,000	82,500	
Graphic Design	9,692	3,750	5,000	12,000	12,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,432,456</b>	<b>\$ 563,138</b>	<b>\$ 1,194,875</b>	<b>\$ 2,441,250</b>	<b>\$ 2,143,340</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 12,213	\$ 9,106	\$ 15,616	\$ 16,000	\$ 12,500	
State Fees	7,476	7,026	7,226	7,826	7,826	
Patrolling & Security Services	349,796	162,814	290,729	300,000	400,000	
Employee Testing- New	2,378	459	842	5,435	5,350	
Janitorial Services	21,959	11,085	18,705	16,920	18,025	
Stream Gauging & Water Quality-USGS	94,304	85,979	129,504	190,115	157,450	
South Canal CWA Water Conveyance	116,282	50,925	126,484	130,000	130,000	
East Canal CWA Water Conveyance	26,751	19,217	35,693	50,000	50,000	
Trucking	700	1,200	1,900	2,000	3,000	

**San Jacinto River Authority - Raw Water Enterprise Operating Summary  
(Raw Water Supply, Highlands, Lake Conroe, Flood Management, and General and Administration)**

**Actual to Budget Comparison  
FY2022 - FY2024**

Description	Actuals		Rolling 12	Budget	
	FY2022	Sept-Mar FY2023	Mo. Actuals Apr 2022- Mar 2023	FY2023	Budget FY2024
Water Conservation & Public Education	56,628	12,863	49,008	45,000	111,388
Website Hosting & Maintenance	-	-	-	-	2,039
Meeting Expenses	3,903	3,344	6,170	2,500	4,000
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 692,390</b>	<b>\$ 364,018</b>	<b>\$ 681,877</b>	<b>\$ 765,796</b>	<b>\$ 901,578</b>
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>					
Office Supplies & Printing	\$ 5,292	\$ 3,023	\$ 6,148	\$ 8,500	\$ 8,650
Other Office Expense	4,377	1,568	5,334	5,500	6,000
Travel	6,628	7,797	11,520	22,320	23,820
Automobile & Truck Expense	40,941	18,291	40,767	52,500	55,550
Storm Preparedness & Response	441	-	349	7,500	6,500
Postage	11,385	8,514	13,851	14,850	15,200
Property Insurance	36,152	20,878	34,998	43,920	46,800
Auto Insurance	30,554	18,562	31,162	46,068	46,068
Liability Insurance	13,343	11,310	20,367	47,916	47,916
Small Tools Purchases	6,493	1,703	6,903	10,000	10,000
Training-External	12,317	4,241	9,449	20,805	46,165
Training-Internal	130	259	259	1,000	-
Training-Employee HR	13,587	797	8,502	23,650	23,800
Managers Expense	6,419	3,444	7,535	4,100	7,800
Employee Relations	2,396	2,650	3,843	3,000	4,000
Fuel	87,406	55,363	106,760	78,300	104,250
Uniform Services	8,939	8,949	12,007	10,600	14,600
Supplies - Lab	3,587	572	3,925	1,500	1,500
Operations Supplies	22,733	3,609	10,976	28,450	29,500
Memberships & Professional Dues	2,709	1,127	3,180	2,299	3,281
Signage	5,407	6,405	11,722	3,000	9,500
Janitorial Supplies	1,767	1,115	1,829	2,000	4,000
Copier, Scanner & Fax	12,120	6,461	11,320	13,450	9,620
Utilities-Electric	44,528	17,549	33,898	37,000	40,000
Utilities-Natural Gas	7,846	2,290	5,951	8,000	7,500
Utilities-Water	1,098	687	1,329	1,700	1,700
Utilities-Electric-LHPS Pumping Costs-Direct	104,815	57,433	110,385	100,000	150,000
Utilities-Electric-ECTPS Pumping Costs-Direct	15,588	10,571	18,427	17,500	22,000
Utilities-Electric-SCTPS Pumping Costs-Direct	11,569	6,463	13,928	16,000	16,000
Pumping Costs-Indirect	24,292	10,424	22,567	18,000	25,000
Additional Water Fees	237,500	237,500	237,500	237,500	237,500
Personal Protective Equipment	8,190	4,727	9,621	9,050	13,650
Safety Equipment & Meetings	16,478	6,558	18,202	10,500	20,000
Health & Wellness Program	-	-	-	2,520	2,570
Recruiting Expenses	4,506	1,739	5,529	15,775	21,300
Computer Hardware	16,914	19,537	33,013	59,061	160,138
Software & Support	222,442	132,666	232,710	139,467	370,534
Software Maintenance	30,082	18,570	32,293	38,200	40,700
Physical Security	3,774	3,090	6,864	24,151	34,000
Network Communications	13,681	15,083	22,638	20,406	32,683
Publications & Subscriptions	-	-	-	500	500
Newspaper Ads	4,752	1,232	3,520	7,500	12,750
Wireless Devices & Services	36,268	16,469	33,199	41,621	73,900
Phone System-Install, Maintenance, & Changes	-	7,316	7,316	419	6,240
Emergency Operations Communications	1,028	1,328	1,886	684	4,200
Landline Telephone Services	6,729	7,961	11,244	6,749	8,376
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 1,147,203</b>	<b>\$ 765,831</b>	<b>\$ 1,224,725</b>	<b>\$ 1,263,531</b>	<b>\$ 1,825,761</b>
<b>RENTALS</b>					
Equipment Rentals	\$ 54,930	\$ 98,302	\$ 140,906	\$ 186,000	\$ 156,000
Office Rent	25,206	14,704	25,206	25,206	25,206
Rent-U.S. Forest Lands	16,697	11,131	18,088	16,697	20,036
Fiber Rental	-	-	(36,120)	61,920	-
<b>TOTAL RENTALS</b>	<b>\$ 96,833</b>	<b>\$ 124,137</b>	<b>\$ 148,080</b>	<b>\$ 289,823</b>	<b>\$ 201,242</b>

**San Jacinto River Authority - Raw Water Enterprise Operating Summary**  
**(Raw Water Supply, Highlands, Lake Conroe, Flood Management, and General and Administration)**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2023	FY2024
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Instrumentation	\$ 7,853	\$ 5,863	\$ 9,625	\$ 30,200	\$ 30,200	
Office, Furniture, & Fixtures	4,341	1,017	2,821	4,000	8,500	
Buildings & Grounds Maintenance	93,724	30,019	81,514	106,800	137,000	
Security System Monitoring	360	585	585	800	800	
Generators	16,340	3,939	15,588	25,500	28,000	
Machinery, Tools, & Implements	118,375	46,546	86,705	95,250	87,750	
Boat Maintenance & Repairs	6,531	5,515	6,774	13,000	13,000	
Instrumentation Equipment & Parts	26,281	16,646	26,065	82,200	65,300	
Bridges, Culverts, & Siphons	259,381	231	(44,003)	65,000	90,000	
Networking and Communications - SCADA	30,236	18,070	48,306	3,900	36,100	
Canals, Levees, & Dams-Maintenance & Repairs	67,021	28,721	36,945	125,000	260,000	
Clearing	11,786	2,800	3,552	10,000	10,000	
Invasive Species Management	269,341	50,306	280,884	120,000	133,750	
Streets & Roads	36,846	12,204	32,416	65,000	65,000	
Ayer Island Maint & Repair	47,026	-	47,026	15,000	15,000	
Lake Conroe Park Maint & Repair	16,600	-	-	-	-	
Gates & Fencing Repairs	6,229	10,674	10,746	11,500	7,500	
Lake Houston Pump Station Maintenance & Repairs	11,946	14,749	25,876	20,000	25,000	
East Canal Pump Station Maintenance & Repairs	17,365	1,463	18,827	10,000	10,000	
South Canal Pump Station Maintenance & Repairs	15,251	18,607	33,858	15,000	75,000	
Inventory Gains and Losses	(778)	-	(778)	-	-	
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 1,062,055</b>	<b>\$ 267,955</b>	<b>\$ 723,334</b>	<b>\$ 818,150</b>	<b>\$ 1,097,900</b>	
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 976,392	\$ 655,206	\$ 976,561	\$ 1,571,781	\$ 1,698,826	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 976,392</b>	<b>\$ 655,206</b>	<b>\$ 976,561</b>	<b>\$ 1,571,781</b>	<b>\$ 1,698,826</b>	
<b>NON-OPERATING EXPENSES</b>						
Interest Expense	\$ 1,910,808	\$ 1,035,663	\$ 1,820,156	\$ 1,767,966	\$ 1,637,275	
Interest Expense - Lease	4,035	3,134	7,168	-	4,492	
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 1,914,842</b>	<b>\$ 1,038,796</b>	<b>\$ 1,827,324</b>	<b>\$ 1,767,966</b>	<b>\$ 1,641,767</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 13,027,040</b>	<b>\$ 7,367,587</b>	<b>\$ 12,939,477</b>	<b>\$ 16,467,146</b>	<b>\$ 17,105,184</b>	
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 13,025,450</b>	<b>\$ 8,577,693</b>	<b>\$ 14,425,221</b>	<b>\$ 11,653,102</b>	<b>\$ 12,972,464</b>	
<b>CAPITAL IMPROVEMENTS*</b>						
Capital Improvements				\$ 318,000	\$ 388,000	
Dam Rehabilitation				5,000	-	
Highlands Improvements				35,000	20,000	
Maintenance Equipment				6,000	170,000	
Transportation Equipment				251,667	71,667	
Software				720	2,638	
Computer Equipment				125,687	237,086	
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 742,073</b>	<b>\$ 889,390</b>	
<b>OTHER SOURCES (USES)*</b>						
Cash Sources (Uses)				\$ 105,000	\$ -	
Bond Principal				(3,545,417)	(3,234,167)	
Lease Principal				-	(51,565)	
Operating Reserve Fund				(261,143)	(448,940)	
Emergency Reserve Fund				(1,000,000)	(1,000,000)	
Repair and Replacement Transfers				(6,250,000)	(7,107,932)	
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (10,951,559)</b>	<b>\$ (11,842,603)</b>	
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 13,025,450</b>	<b>\$ 8,577,693</b>	<b>\$ 14,425,221</b>	<b>\$ (40,531)</b>	<b>\$ 240,470</b>	

\*Actuals intentionally left blank.

## SJRA FY2023 Raw Water Enterprise Risk Management – July 2022

Risk	Probability	Management Method
<b>Revenue</b>		
Revenue from raw water sales and reservations less than projected	Low	<ul style="list-style-type: none"> <li>• Long-term raw water supply contracts for industrial and most municipal users are currently take-or-pay so will have limited risk.</li> <li>• Raw water supply contracts for some irrigators are on an annual usage basis, and can be impacted by weather; however, contracted water amounts are very small.</li> <li>• Long-term GRP contracts with Participants.                             <ul style="list-style-type: none"> <li>○ GRP take-or-pay amount will fluctuate based on demand and impact of weather. Estimates for budget are conservative.</li> <li>○ Reservation fees are paid by GRP for all SJRA water in Lake Conroe that is not used.</li> </ul> </li> </ul>
Revenue from dock, marina, OSSF, etc. permitting/licensing less than projected	Low	<ul style="list-style-type: none"> <li>• Collection rate in budget assumed at 95%.</li> <li>• If licensed facilities are damaged and unusable due to storm events, we offer owners the opportunity to defer licensing fees until the facility is repaired.</li> </ul>
Delayed payments from large raw water customers	Low	<ul style="list-style-type: none"> <li>• Billing collection process in place to identify late payments and work with customers to obtain payments.</li> <li>• Working Capital Reserve Funds available to cover shortfalls.</li> </ul>
Delayed payments from City of Houston	High	<ul style="list-style-type: none"> <li>• The City of Houston has stopped making payments pending the approval of an Operating Agreement for the Lake Conroe Dam and Reservoir. The last invoice paid was for July 2020 in August 2021.</li> <li>• Operating &amp; Rate Stabilization Reserve Funds available to cover delayed payments.</li> </ul>
<b>Labor (Staffing)</b>		
Inability to recruit and retain qualified, motivated staff	High	<ul style="list-style-type: none"> <li>• Conducting annual research regarding competitive compensation and benefits, including health benefits.</li> <li>• Offering flexible work hours and schedules.</li> </ul>
<b>Professional, Construction and Miscellaneous Services</b>		
Inadequate and/or poorly performing providers of professional, construction and/or miscellaneous services	Low	<ul style="list-style-type: none"> <li>• SJRA staff in key management positions to oversee/ drive progress for timely completion.</li> <li>• Project management procedures implemented for effective project delivery including control of scope, fee, schedule and risk for professional services.</li> <li>• All contracts contain termination clauses.</li> </ul>

Risk	Probability	Management Method
		<ul style="list-style-type: none"> <li>• All professional services contracts are work order based which only authorize work one phase at a time allowing opportunity to adjust services provided.</li> <li>• Standardization of construction contract front-end documents and specifications.</li> <li>• Use Competitive Sealed Proposals (CSP) method for obtaining qualified and experienced contractors for performing all major construction.</li> </ul>
Limited numbers of qualified firms resulting in high proposed costs for construction services	Low	<ul style="list-style-type: none"> <li>• Maintain adequate Contingency Funds in project construction cost estimates for projects with a high degree of difficulty or requiring technical expertise.</li> <li>• Purchasing is making concerted efforts to interest more qualified construction contractors in SJRA projects.</li> <li>• Use of CSP method allows negotiation and Value Engineering analysis with selected contractors when appropriate.</li> </ul>
<b>Operations and Maintenance Costs</b>		
Operations costs greater than budgeted	Low	<ul style="list-style-type: none"> <li>• Operations costs based on historic expenditures with reasonable contingency.</li> <li>• Commodity costs such as fuel and power are susceptible to spikes in prices, and are therefore estimated conservatively.</li> <li>• Extreme events, such as a hurricane occurring in the area, are included in contingency plans.</li> <li>• Operating &amp; Rate Stabilization Reserve Funds are available.</li> </ul>
Failure of, or damages to, a key system component requiring immediate repair and/or increased maintenance costs greater than budgeted for Highlands Division	Medium	<ul style="list-style-type: none"> <li>• Most facilities in Highlands have been in service 60 or more years; therefore, a comprehensive assessment of the Highlands system components that are in need of repair/rehabilitation has been used to prioritize and develop a phased capital improvement program (CIP). System rates are adjusted regularly to fund the necessary improvements using cash and appropriate bond revenues.</li> <li>• Emergency Reserve Funds are available for critical and immediate repair of failed system components.</li> <li>• A methodical asset management program that includes preventative maintenance of all key components is scheduled within a computerized maintenance management system. Many components of the system can be maintained and repaired with in-house staff and equipment.</li> </ul>

Risk	Probability	Management Method
<p>Failure of a key system component requiring immediate repair and/or maintenance costs greater than budgeted for Lake Conroe Division</p>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• Lake Conroe dam has been in service for over 50 years. A dam safety inspection is conducted every five years and any deficiencies are identified and prioritized in a recommended CIP. System rates are adjusted regularly to fund any critical improvements using operating funds.</li> <li>• Emergency Reserve Funds are available for critical and immediate repair of failed system components.</li> <li>• A methodical asset management program that includes preventative maintenance of all key components is scheduled within a computerized maintenance management system. Many components of the system can be maintained and repaired with in-house staff and equipment.</li> </ul>
<p><b>Capital Outlay</b></p>		
<p>Capital improvement program (CIP) project costs greater than budgeted</p>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• SJRA staff in key management positions to oversee/ drive progress for most timely completion.</li> <li>• Project management procedures implemented for effective project delivery including control of scope, fee, schedule and risk.</li> <li>• Phased execution of construction projects allows a modification to CIP plan prior to commitment of funds.</li> <li>• Commodity costs such as fuel and construction materials are susceptible to spikes in prices; therefore, these costs are estimated conservatively.</li> </ul>
<p>Harris County and TxDOT continue to implement roadway improvements over/through SJRA Highlands Division siphons</p>	<p>High</p>	<ul style="list-style-type: none"> <li>• SJRA staff meets periodically with TxDOT and Harris County to discuss infrastructure planning and schedule for proposed roadway improvements. CIP projects can sometimes be shifted to address the scheduled roadway improvements, especially if roadway agency funding is available to offset the accelerated cost.</li> </ul>
<p>Existing or new customers required additional water supply which exceeds the available supplies of the Authority or the delivery capacity of the current system</p>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• The Authority developed a long-term raw water master plan for development of additional permanent supplies for the RWE over a 50-year timeframe.</li> <li>• Engineering analysis of the Highlands System delivery capacity has been developed and customized models can now be used to determine how best to expand the capacity when required. Before executing new delivery contracts, SJRA professional staff evaluates the required modifications, and may require the customer to fund the cost of the capacity improvements, depending on the extent of the system-wide benefit.</li> </ul>

<b>Risk</b>	<b>Probability</b>	<b>Management Method</b>
		<ul style="list-style-type: none"><li>• Since all available supplies in Lake Conroe are committed to existing customers, any requests for additional capacity must be met in the short-term by use of long-term committed but currently unused supplies or by immediately acquiring new supplies from other existing sources.</li></ul>



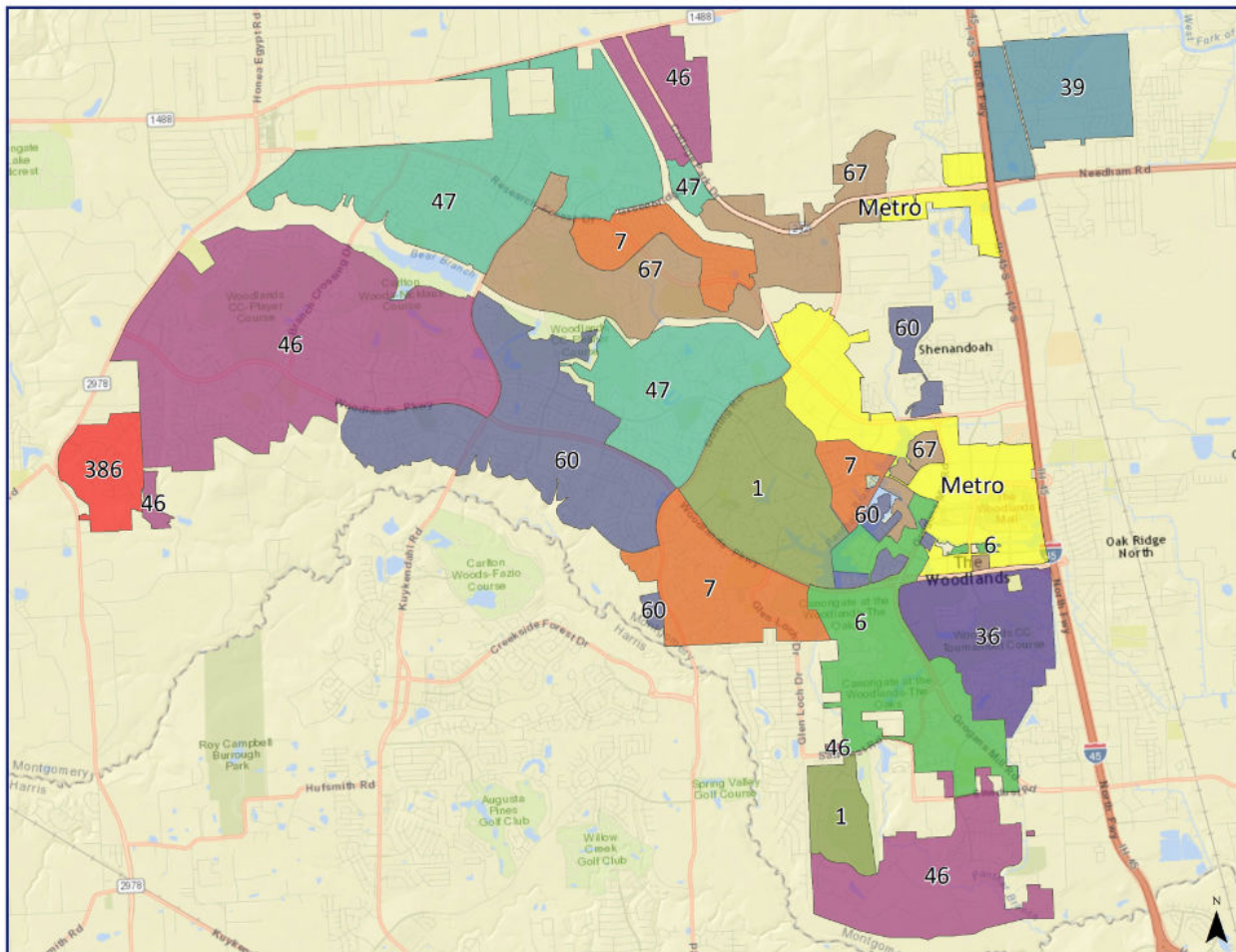


# Woodlands Division

## WOODLANDS DIVISION

The Woodlands Division was created in 1975 to operate and maintain wholesale water supply and wastewater treatment systems for the Woodlands area that is made up of 11 Municipal Utility Districts (MUDs) in southern Montgomery County. The Woodlands Division works in coordination with the 11 MUDs, ten of which are operated by the Woodlands Water Agency (WWA) and the other operated by a third-party for the Montgomery County portion of MUD 386, to provide services to a population in excess of 125,000 people.

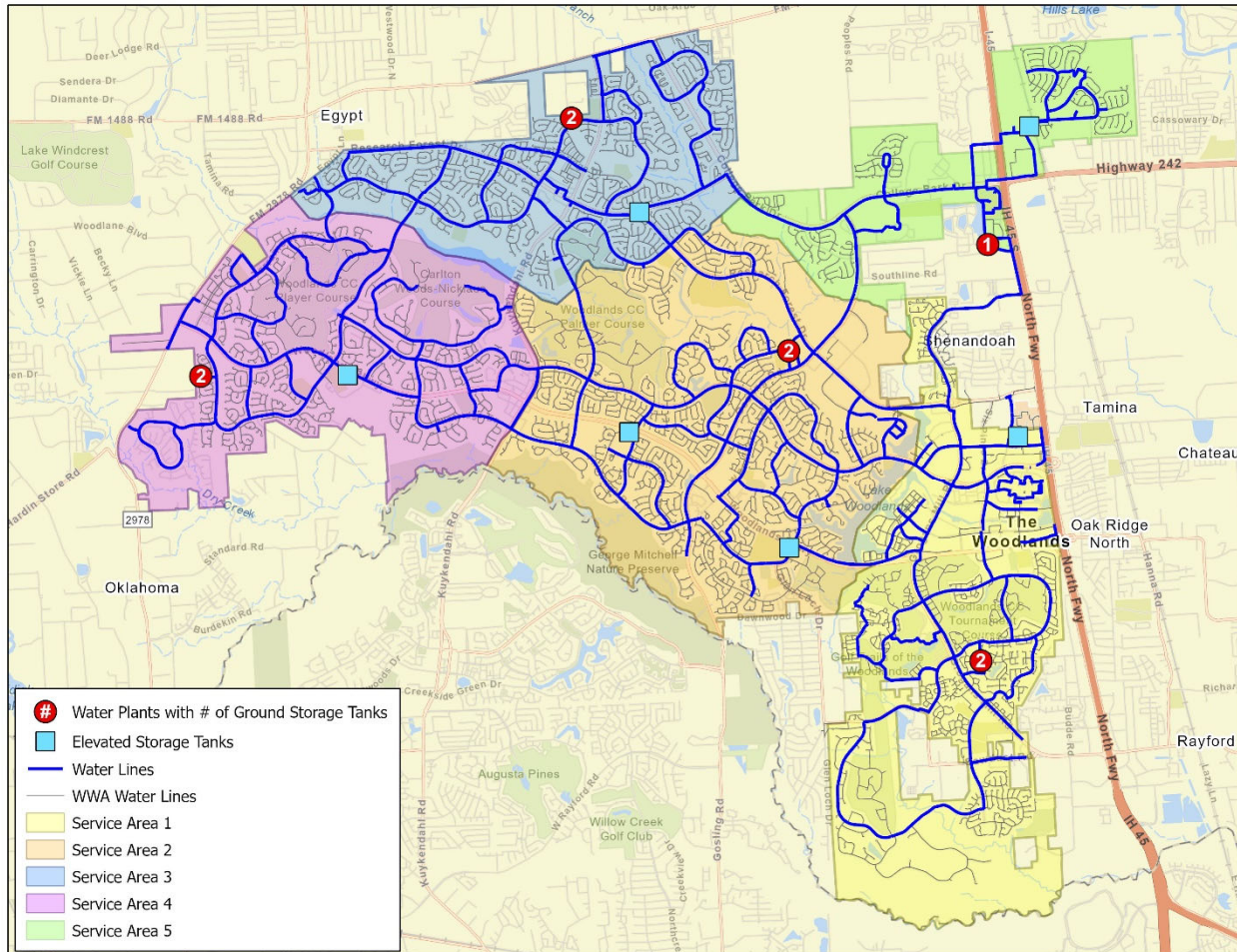
### MAP OF WOODLANDS MUDS



The Woodlands wholesale water system consists of 38 water wells drilled into the Evangeline or Jasper aquifers, five water plants, six elevated storage tanks, nine ground storage tanks, and over 120 miles of water transmission lines with a diameter of twelve inches or greater. The Woodlands wholesale wastewater system consists of thirty lift stations, three regional wastewater treatment plants, over 50 miles of wastewater gravity lines with a diameter fifteen inches or greater, and over 20 miles of force mains. In addition to the wholesale water and wastewater services, the Woodlands Division ensures

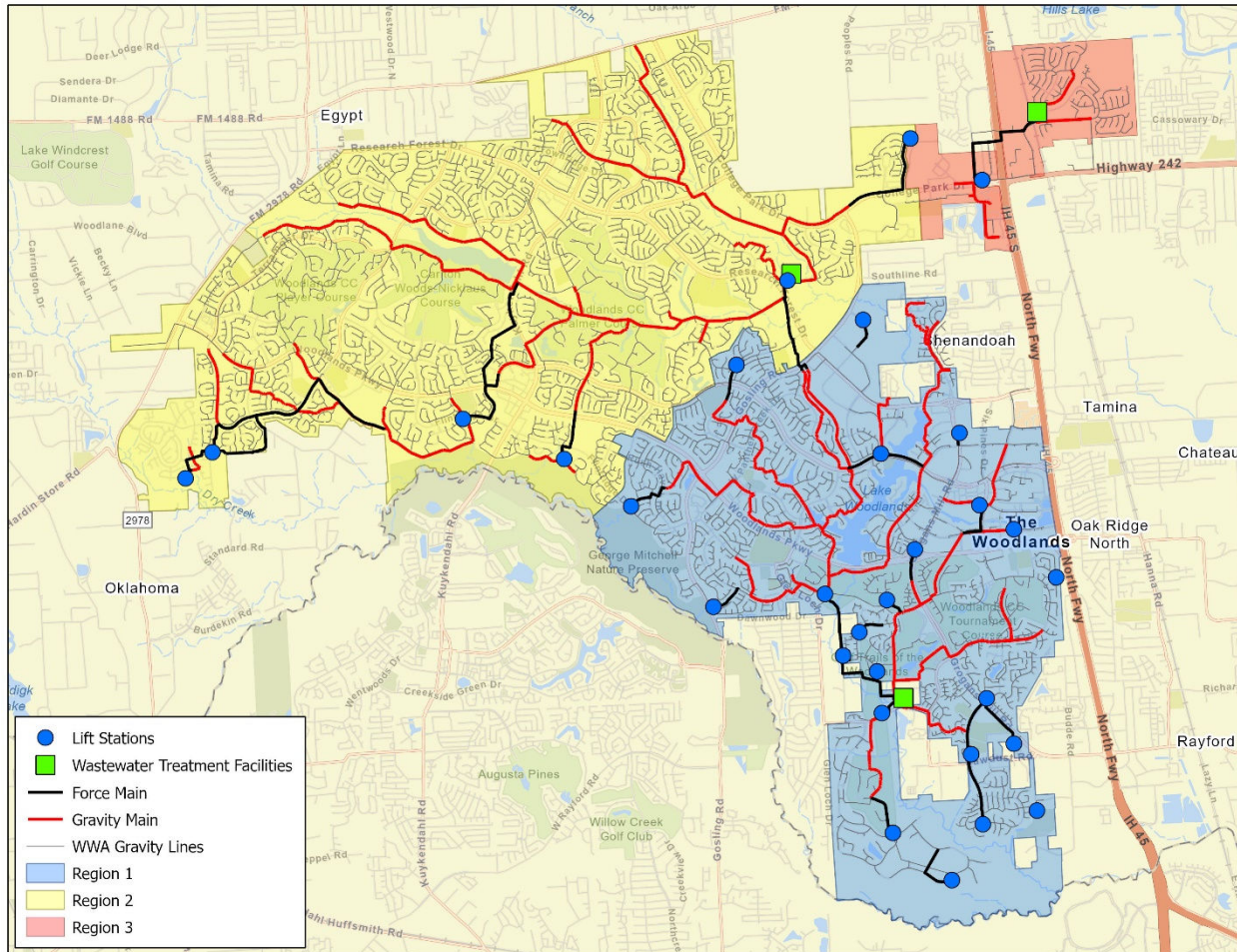
compliance with applicable local, state and federal regulations for grease traps and industrial pre-treatment. There are roughly 450 commercial establishments and two voluntarily issued industrial users permitted through the Woodlands Division.

### MAP OF THE WOODLANDS WHOLESALE WATER SYSTEM





## MAP OF WOODLANDS WHOLESALE WASTEWATER SYSTEM



The Woodlands Division is a separate enterprise fund of the Authority. Based on the 11 contractual agreements, the Woodlands Division is comprised of five unique budgets:

- **Operations and Maintenance (O&M):** Consists of the wholesale water and wastewater revenues, as well as any revenues from industrial and commercial permitting; and regular and customary expenses associated with operations and maintenance of the wholesale water and wastewater systems, and environmental activities
- **Repair & Replacement (R&R Fund):** Funded by annual contributions from the O&M budget for renewal projects related to the repair and replacement of existing infrastructure and construction of new infrastructure that routinely extends beyond one fiscal year
- **Water System Bonds:** Revenue and expenses associated with the issuance and repayment of bonds issued solely for water capacity related projects as authorized by the MUDs utilizing bond financing and not making cash contributions
- **Waste Disposal Bonds:** Revenue and expenses associated with the issuance and repayment of bonds issued solely for wastewater capacity related projects as authorized by the MUDs utilizing bond financing and not making cash contributions

- **Future Facilities:** Revenue and expenses associated with “new” capacity and infrastructure necessary to support development projections approved and funded by the MUDs through “interim accounting” processes

**Major Initiatives:** The Woodlands Division has and plans to undertake several major initiatives to improve the operations related to the Woodlands.

1. **Woodlands Wastewater Strategic Plan:** Over the next 40 years, it is projected that the three wastewater treatment facilities (WWTFs) owned and operated by SJRA will need to be replaced due to aging conditions and end of service life. In discussions with the Woodlands MUDs, SJRA has proposed a wastewater strategic plan to determine the economics and efficiency of replacing the WWTFs as they are today versus consolidating the WWTFs to a central location. The initial study focused on high-level review of level of service, stakeholder input, and renewal/replacement options. After the initial study, the MUDs determined the need for a more in-depth study to be undertaken to review more detailed items including capacity and fine-tuning of cost estimates. During FY2024, it is expected that the Strategic Plan will move into Preliminary Engineering of a new Wastewater Treatment Facility, followed by Final Design in FY2025-FY2026, and begin construction in FY2027.
2. **Operational Efficiencies:** The Woodlands Division continues efforts to improve efficiency and effectiveness and reduce operations & maintenance costs. Included in those efforts are: 1) annual reviews to all standard operating procedures to ensure best industry practices, compliance with safety requirements, and consistent and improved operations, 2) refinements to demand forecasting based on recent historical averages while incorporating growth projections and 3) finalize clean-up of line easements, ensuring the Authority has accurate and documented easements for all water and wastewater lines.
3. **Asset Management:** The Woodlands Division is focused on improving the management of their assets through the revision and expansion of their current asset management program. The Woodlands has embraced the use of the Authority’s Enterprise Asset Management and Computerized Maintenance Management System (EAM/CMMS). The EAM/CMMS system allows for the tracking of assets throughout the asset’s lifetime, tracking planned and corrective maintenance, and assisting in determining the appropriate time to replace assets. Starting in FY2022, The Woodlands Division is advancing asset management usability by implementing a Digital Water System which will collect data from existing software such as EAM and GIS and integrate into user-friendly dashboards to aid in projecting future maintenance costs and operational needs. These dashboards will have a rate model incorporated in FY2024-FY2025 to allow for the projection of water and sewer rates and their related adjustments from capital projects.
4. **LSGCD Changes:** As part of the legislative changes to the Lone Star Groundwater Conservation District (LSGCD), relative to the transition of their Board of Directors from appointed to elected positions, the Woodlands Division will monitor LSGCD rules and regulations and adapt operations and assess infrastructure to best service the Woodlands area.

**Capital Improvement and Other Projects Plans:** Each year the Woodlands Division conducts risk and condition assessments of their infrastructure following the steps identified in the Asset Management Program. The Woodlands Division reviews the likelihood and consequences of failure of each asset and then prioritizes projects based on a variety of factors related to reliable, cost-effective service. Projects included within the Woodlands Project Plans may be funded with bonds, capacity charges to MUDs, and/or R&R funds and may extend over multiple fiscal years. In FY2023, the Woodlands Division conducted their assessments and prioritized the following projects for the start of or continuation of design and/or construction in FY2024.

Additionally, based on the number of projects, amount of financing required, and needed public engagement, multiple discussions have been held with the MUDs to discuss and explain the overall gaining infrastructure of The Woodlands. These discussions have been focused on the long-term financing of two main projects: Asbestos Cement (AC) water line replacement and the design and construction of a new Wastewater Treatment Facility. These discussions have delayed the receipt of long-term financing to start some projects in the Long-Term Financing table below. It is expected that during FY2024, the MUDs will decide on long-term financing and the related projects.

Woodlands - Projects	Stage	Est. FY2024	
		Cost	Funding Source
Town Center Water Line Replacement	Design/P. Mgmt	\$ 211,000	R&R
Harper's Landing Water Line	Construction	\$ 239,000	R&R
Pressure Regulating Valve on Grogan's Mill Road	Construction	\$ 24,000	R&R
Water System Technology Improvements	Design/Const	\$ 150,000	R&R
Water Well Rehabilitation	Construction	\$ 879,710	R&R
Water Plant No. 2 Generator	Design/Const	\$ 304,750	R&R
Water Plant No. 3 Generator	Design/Const	\$ 348,000	R&R
Water System Mechanical Asset Replacement	Construction	\$ 242,500	R&R
Elevated Storage Tank No. 6	Design	\$ 570,000	R&R
Water Well Rehabilitation	Design	\$ 739,000	R&R
N Town Center and S. Grogan's Mill Rd. WL Replacement	Program Mgmt	\$ 44,000	R&R
Panther Creek Area Water Line Replacement	Program Mgmt	\$ 49,000	R&R
Wastewater Treatment Facility No. 2 Storage Building	Construction	\$ 225,500	R&R
WWTF No. 2 Headworks Rehabilitation	Construction	\$ 1,164,800	R&R
WWTF No. 2 Tertiary Filter Improvements (2nd and 3rd Filter)	Design/Const	\$ 1,154,800	R&R
Forcemain Renewal	Design/Const	\$ 1,010,000	R&R
Wastewater System Technology Improvements	Design/Const	\$ 150,000	R&R
Wastewater Conveyance Optimization Land Acquisition	Land Aq	\$ 1,250,000	R&R
Land Acquisition	Land Aq	\$ 1,670,000	R&R
Wastewater Conveyance Optimization	Program Mgmt	\$ 41,000	R&R
New Wastewater Treatment Facility No. 1	Program Mgmt	\$ 209,000	R&R
<b>Total</b>		<b>\$ 10,676,060</b>	

Woodlands - Projects	Stage	Est. FY2024	
		Cost	Funding Source
Wastewater Strategic Plan	Design	\$ 150,000	TWDB Bond
South Shore Gravity Main Rehabilitation	Construction	\$ 2,025,600	TWDB Bond
Wastewater Conveyance Optimization	Design	\$ 689,000	TWDB Bond
New Wastewater Treatment Facility No. 1	Design	\$ 3,531,000	TWDB Bond
Total		\$ 6,395,600	

**Total Indebtedness and Annual Debt Service:** At August 31, 2022, the Woodlands Division had \$63,115,000 of total indebtedness, made up of the following bond issuances:

- Series 2014 Special Project Rev. Refunding Bonds (Outstanding: \$7,010,000: Matures 10/1/30)
- Series 2014 Special Project Rev. Refunding Bonds (Outstanding: \$18,130,000: Matures 10/1/33)
- Series 2017 Special Project Rev. Bonds (Outstanding: \$37,975,000: Matures 10/01/42)

Total annual debt service (principal and interest) for FY2023 for the existing bond issuances listed above is \$5,365,809.

Bond payments each year are made in April (interest only) and October (principal and interest). Accruals of principal and interest are made monthly. The Woodlands Division maintains a debt service reserve for the Series 2017 Special Project Revenue Bond.

**Staffing Plans:** The Woodlands Division’s staffing plan for FY2024 includes 39 direct FTE positions, with no part-time, temporary, or intern positions. Of the 39 FTEs the Woodlands Division allocates 2.50 FTEs to the GRP Division. In addition, the Division is allocated 28.60 FTEs for FY2024 from G&A Departments, other divisions, and the Utility Enterprise. The total net FY2024 FTEs associated with the Woodlands Division, direct and allocated, is 67.60 FTEs.

**Revenues:**

One of the first budgeting activities of the Woodlands Division is to forecast total water demands and estimate the amount of wastewater that will be treated for the upcoming year. The Woodlands utilized the previous 12-month actual data as the basis of the FY2024 water and wastewater demands. Based on varying weather conditions for the past 3-5 years, utilizing the most recent actuals appeared to reflect a more relevant demand pattern based on weather variations in previous fiscal years. For wastewater, the WWA uses a three month “winter” average of wastewater demand. The winter average approach creates a cap on residential wastewater fees for the upcoming year based on wastewater flows during the months of December, January, and February. By taking a winter average approach, a more accurate estimate of in-home residential wastewater demand is expected to be obtained, subtracting the impacts of water used for summertime irrigation. MUD 386 does not utilize a winter averaging methodology, using 51% of the water demand each month as their wastewater demand billing formula.

For FY2024, the Woodlands is forecasting a steady production of water but an increase in water sales. This difference is due to a reduction in water loss from 9% to 5.5% based on the MUDs installing new meters throughout the retail system. For wastewater, treatment is expected to maintain the FY2023 amounts. The wholesale water rate to the MUDs for FY2024 is budgeted at \$2.78 per 1,000 gallons, resulting in wholesale water sales totaling \$14,681,180. The wholesale wastewater rate to the MUDs for FY2024 is

budgeted at \$5.65, resulting in wholesale wastewater sales totaling \$15,820,000. The WWA directed the Woodlands Division to utilize a blended groundwater/surface-water GRP rate based on the anticipated FY2024 groundwater to surface-water usage ratio within the Woodlands system. The blended GRP rate for FY2024 is budgeted at \$3.20, consistent with FY2023, and will be passed-through directly to the Woodlands MUDs as GRP Pumping Fees, not as part of the Woodlands wholesale water rate. Revenues from the GRP Pumping Fees for FY2024 are anticipated to be \$16,899,200 and will be offset by GRP Pumping Fee and Surface Water Fee expenses. Additionally, the Woodlands anticipates receiving revenues from the sale of direct effluent reuse water, fees from commercial environmental licenses, and Industrial sampling fees, totaling \$213,100.

Expected O&M Operating Revenues and Other Revenues for the Woodlands Division for FY2024 total \$47,651,880. For the R&R Fund, the Woodlands expected Operating Revenues, Other Revenues, and Other Cash Sources total \$22,177,829; \$16,177,829 from cash sources, and \$6,000,000 from inter-division transfer from O&M. Woodlands expected Operating, Other Revenues, and Other Cash Sources for Wastewater Bonds, Water Bonds, and Future Facility are \$982,750, \$2,298,250, and \$36,000, respectively.

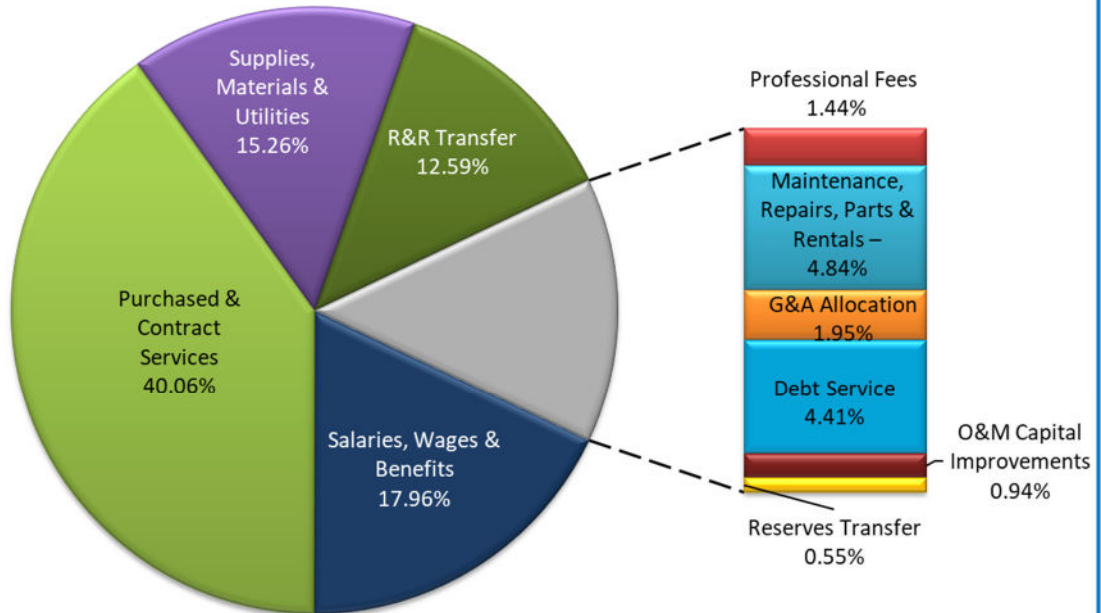
**Expenditures:** The Woodlands Division O&M Budget for FY2024 contains regular and customary expenses related to the on-going operation and maintenance of the Woodlands Division's wholesale water and wastewater systems. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- G&A Allocations
- Debt Service (interest and bond issuance costs)
- O&M Capital Improvements (non-bond related)
- Operating Reserve Contributions
- R&R Fund Contributions

Expected total O&M expenditures for the Woodlands Division for FY2024, including operating, debt service, capital improvements, and contributions to the R&R Fund, totals \$47,651,880.



**Woodlands FY2024 Total Operating Expenditures:  
Operating, Debt Service, Capital Improvements & Reserve Contributions**



Woodlands expected R&R Fund operating expenses and capital improvements, totals \$10,176,060. Woodlands expected operating and debt service expenditures for Wastewater Bonds and Water Bonds are \$982,750 and \$2,298,250 respectively. Woodlands has no budgeted expenditure for Future Facilities; however, expenditures are expected to occur utilizing the capacity contributions funded by the Sixth and Final Accounting.

**Fund Balance and Reserves:** As approved by the Board of Directors and by the Woodlands MUDs, the Woodlands Division utilizes two reserves and an R&R Fund:

**Operating Reserve:** The Woodlands Division Operating Reserve was established for cash flow management, and rate and revenue stabilization. The Operating Reserve target for the Woodlands Division is set to be approximately three months of operating expenditures. For FY2023, the Woodlands Division has met a three-month Operating Reserve target at \$5,331,617, equivalent to three months of operating expenses. For FY2024, the Operating Reserve is projected to be \$5,595,761, equivalent to three months of operating expenses. There is a contribution of \$264,144 budgeted for FY2024 to aid in funding the reserve to approximately three months of operating expenses.

**Repair & Replacement (R&R Fund):** The Woodlands Division Repair & Replacement Fund was established to fund large ongoing and planned projects to prevent significant rate fluctuations, funded annually through pre-determined transfer of funds from the remaining funds available from the O&M budget after the Operating Reserve requirements are met. Based on the Woodlands Project Plan for FY2024, the contribution to the R&R Fund is estimated to be \$6,000,000. In addition, there is

\$16,177,829 budgeted cash carryforward from FY2023 into FY2024. Expenditures for the R&R Fund is budgeted to be \$10,176,060 for FY2024. The net of cash carryforward, R&R transfers, and expenditures leaves a net balance of \$12,199,769 budgeted to carryforward to FY2025 to cover future projects.

**Emergency Reserve:** The Woodlands Division Emergency Reserve (contractually labeled as Contingency Reserve) was established to provide for a full or partial source of funding for unplanned or emergency repair or replacement of Woodlands Division capital asset. The Emergency Reserve target was established at \$2,000,000, with the ability to increase based on inflationary factors, if approved, and determined by the Engineering News Record Construction for Construction Cost. The Emergency Reserve is considered fully funded for FY2023 and no contributions are budgeted in FY2024.

For FY2024, the net between O&M revenues and expenditures, including annual debt service and scheduled contributions to any of the two reserves and the R&R fund, is \$0.

**San Jacinto River Authority- Woodlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Water Rate: \$2.78 (\$0.05 Increase)

Wastewater Rate: \$5.65 (\$0.12 Increase)

GRP Blended Rate: \$3.20

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022- Mar 2023	FY2023	FY2024	
<b>OPERATING REVENUES</b>						
Water Sales-Woodlands MUD's	\$ 13,338,892	\$ 7,298,638	\$ 15,083,916	\$ 14,064,960	\$ 14,681,180	
Wastewater Treatment Fees	13,943,119	8,911,912	15,406,214	15,484,000	15,820,000	
Direct Reuse Water	34,813	18,261	35,574	30,000	30,000	
Permits, Licenses & Fees - Commercial	207,100	-	207,100	207,100	207,100	
GRP Pumping Fees	17,054,695	8,544,648	18,497,979	16,486,400	16,899,200	
Sampling	-	-	-	6,000	6,000	
Repair Recovery Revenue	2,451	-	685	-	-	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 44,581,070</b>	<b>\$ 24,773,460</b>	<b>\$ 49,231,468</b>	<b>\$ 46,278,460</b>	<b>\$ 47,643,480</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ (427,754)	\$ 699,509	\$ 655,042	\$ 8,400	\$ 8,400	
FEMA Grant Revenue	54,658	-	10,360	-	-	
Proceeds From Sale Of Assets	43,750	57,000	97,000	-	-	
Other Gains & Losses	14,075	11,511	22,773	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ (315,272)</b>	<b>\$ 768,019</b>	<b>\$ 785,175</b>	<b>\$ 8,400</b>	<b>\$ 8,400</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 2,455,660	\$ 1,370,941	\$ 2,526,160	\$ 2,820,785	\$ 2,807,175	
Salary & Wage Allocation	2,349,621	1,194,994	2,279,102	2,963,955	3,153,037	
Staffing Services	137,668	60,662	136,845	50,000	100,000	
Compensated Absences	9,789	-	9,789	-	-	
Group Insurance	1,095,788	580,828	1,017,079	1,123,420	1,145,819	
Group Insurance - Retirees	12,192	7,282	12,387	13,356	13,920	
Group Insurance - Retiree OPEB	(165,652)	-	(165,652)	100,000	100,000	
Group Retirement Expense	521,449	332,987	566,889	636,321	684,756	
Workers Compensation Insurance	76,817	24,855	62,490	111,644	108,289	
Social Security Taxes	352,834	183,934	346,648	436,473	447,308	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 6,846,167</b>	<b>\$ 3,756,482</b>	<b>\$ 6,791,737</b>	<b>\$ 8,255,955</b>	<b>\$ 8,560,304</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 22,563	\$ 21,416	\$ 27,003	\$ 80,000	\$ 80,000	
Lobbyist	128,564	40,098	120,098	120,000	40,000	
Annual Financial Audit	40,135	32,637	39,085	42,000	42,600	
Paying Agent Fees	2,250	750	1,500	1,500	750	
Engineering	1,199,337	495,244	1,161,229	235,000	293,000	
Crane Inspections	-	4,698	4,698	8,000	9,000	
Safety Inspections & Testing	2,965	11,734	14,272	11,000	11,000	
Public Relations Consultant	-	-	-	-	200,000	
Graphic Design	4,507	1,250	3,750	8,500	11,500	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,400,321</b>	<b>\$ 607,827</b>	<b>\$ 1,371,635</b>	<b>\$ 506,000</b>	<b>\$ 687,850</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 112,788	\$ 29,176	\$ 84,634	\$ 28,700	\$ 29,000	
Sampling-Reimbursible	-	-	-	6,000	6,000	
Sludge Disposal	447,867	229,699	460,418	477,270	514,710	
Meter Calibration Services	3,719	3,034	4,065	14,400	8,600	
Commercial Laboratory Fees	137,600	94,201	168,495	162,640	164,800	
State Fees	90,895	90,645	90,745	100,300	100,300	
Groundwater District Fees	256,559	128,480	256,959	240,618	237,493	
Employee Testing- New	3,811	517	517	9,130	9,200	
GRP Pumpage Fees	10,396,973	4,277,853	10,620,370	8,464,100	8,354,182	
GRP Surface Water Fees	7,621,106	4,639,707	8,500,298	9,653,037	9,527,679	
Janitorial Services	23,820	11,985	21,910	25,650	25,650	
Stream Gauging & Water Quality-USGS	75,363	41,600	76,400	75,000	6,250	
Public Relations Expense	480	-	480	-	-	
Water Conservation & Public Education	34,066	8,844	30,976	36,000	93,220	
Website Hosting & Maintenance	-	-	-	-	5,669	
Document Retention/Deconstruction	81	1,698	1,698	5,000	5,000	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 19,205,128</b>	<b>\$ 9,557,439</b>	<b>\$ 20,317,965</b>	<b>\$ 19,297,845</b>	<b>\$ 19,087,753</b>	

**San Jacinto River Authority- Woodlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Water Rate: \$2.78 (\$0.05 Increase)

Wastewater Rate: \$5.65 (\$0.12 Increase)

GRP Blended Rate: \$3.20

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022- Mar 2023	FY2023	FY2024	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 17,215	\$ 7,948	\$ 18,372	\$ 13,500	\$ 13,500	
Travel	3,569	3,936	6,497	7,500	7,500	
Office Furnishings	4,716	6,119	10,834	5,000	2,200	
Automobile & Truck Expense	61,401	24,282	43,630	80,000	80,000	
Storm Preparedness & Response	7,886	-	-	5,000	5,000	
Postage	2,832	495	2,715	5,025	5,225	
Property Insurance	362,850	230,014	384,941	430,560	460,000	
Auto Insurance	48,812	24,457	43,918	59,928	59,628	
Liability Insurance	17,197	16,683	32,221	59,400	59,400	
Training-External	16,791	12,250	20,229	30,350	36,350	
Training-Internal	6,398	6,513	11,498	6,000	-	
Training-Employee HR	15,670	890	9,835	28,325	28,500	
Chlorine	368,287	290,093	523,496	511,640	773,797	
Polymer	54,244	21,868	41,961	73,128	67,768	
Sulfur Dioxide	114,086	104,820	171,206	184,000	231,000	
Other Chemicals	34,334	6,498	13,572	15,400	15,835	
Employee Relations	12,931	9,618	15,025	9,220	9,220	
Alkalinity	160,314	117,084	170,072	298,350	237,598	
Fuel	121,449	45,283	121,757	191,500	190,000	
Uniform Services	30,382	12,958	24,019	10,920	10,920	
Maintenance Supplies	75,668	49,379	96,092	86,500	91,500	
Operations Supplies	63,926	16,643	44,426	63,300	63,600	
Other Operating Expenses	170	-	148	-	-	
Memberships & Professional Dues	16,163	9,252	17,198	20,000	20,000	
Utilities-Electric	3,036,576	1,879,064	3,338,922	3,040,000	3,800,000	
Utilities-Natural Gas	13,168	9,397	14,789	13,000	14,300	
Personal Protective Equipment	219	8,139	8,287	25,510	24,920	
Safety Equipment & Meetings	32,070	9,706	35,767	15,000	28,000	
Health & Wellness Program	1,425	-	-	3,020	3,000	
Recruiting Expenses	10,188	3,781	9,257	18,850	30,000	
Computer Hardware	27,779	32,628	51,885	80,654	173,676	
Software & Support	209,591	126,209	218,802	192,574	386,974	
Software Maintenance	60,249	32,435	59,276	72,800	86,000	
Physical Security	983	4,757	5,455	26,776	24,000	
Network Communications	21,580	17,008	26,949	30,960	44,750	
Newspaper Ads	6,763	-	6,763	12,225	12,225	
Wireless Devices & Services	57,542	25,447	55,374	56,340	106,800	
Phone System-Install, Maintenance, & Changes	-	6,109	6,109	-	7,335	
Landline Telephone Services	59,729	33,091	62,307	53,016	60,600	
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 5,155,149</b>	<b>\$ 3,204,852</b>	<b>\$ 5,723,605</b>	<b>\$ 5,835,271</b>	<b>\$ 7,271,121</b>	
<b>RENTALS</b>						
Equipment Rentals	\$ 8,713	\$ 4,332	\$ 9,255	\$ 16,500	\$ 17,300	
Radio Tower Rental	-	-	(5,320)	9,700	-	
<b>TOTAL RENTALS</b>	<b>\$ 8,713</b>	<b>\$ 4,332</b>	<b>\$ 3,934</b>	<b>\$ 26,200</b>	<b>\$ 17,300</b>	
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Air Conditioner	\$ 18,524	\$ 28,628	\$ 43,797	\$ 71,000	\$ 83,500	
Sidewalks & Driveways	12,115	2,970	3,576	20,000	20,000	
Mowing	179,882	57,324	151,851	284,000	242,000	
Buildings & Grounds Maintenance	54,148	53,363	102,248	70,000	94,875	
Plants & Facilities	42,717	2,435	43,369	100,000	-	
Security System Monitoring	2,587	276	1,123	1,000	1,000	
Wells	3,472	2,865	6,337	15,000	15,000	
Tanks	69,052	88,348	123,988	272,500	229,800	
Electrical	66,045	42,447	85,800	120,000	195,000	
Generators	45,304	30,853	45,941	50,000	61,000	
Pumps & Motors	47,706	70,656	99,088	255,000	210,000	
Aerators	1,204	1,780	2,825	92,500	90,000	
Machinery, Tools, & Implements	23,595	8,968	15,465	16,000	16,000	
Belt Press	43,293	7,497	25,837	41,000	40,000	
Clarifier	599	50,991	51,472	12,000	12,000	
UV Equipment	4,520	-	4,520	-	-	
Lines, Valves, & Pipes	596,293	372,197	698,097	582,000	445,000	

**San Jacinto River Authority- Woodlands**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Water Rate: \$2.78 (\$0.05 Increase)

Wastewater Rate: \$5.65 (\$0.12 Increase)

GRP Blended Rate: \$3.20

Description	Actuals		Rolling 12	Budget	
	FY2022	Sept-Mar FY2023	Mo. Actuals Apr 2022- Mar 2023	FY2023	Budget FY2024
Drainage Structures	-	941	941	70,000	-
Instrumentation Equipment & Parts	151,483	140,449	230,782	328,690	435,000
Bar Screens	21,484	2,869	17,429	7,000	19,000
Chlorinator	41,588	16,726	22,105	47,500	55,000
Low Head Filters	94,972	53,947	148,919	70,000	10,000
Networking and Communications - SCADA	3,278	1,885	3,389	7,700	3,900
Inventory Gains and Losses	27,361	(26,555)	10,320	-	-
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 1,551,223</b>	<b>\$ 1,011,863</b>	<b>\$ 1,939,219</b>	<b>\$ 2,532,890</b>	<b>\$ 2,278,075</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>					
General & Administrative Expense Allocated	\$ 764,069	\$ 421,274	\$ 761,435	\$ 903,079	\$ 927,262
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 764,069</b>	<b>\$ 421,274</b>	<b>\$ 761,435</b>	<b>\$ 903,079</b>	<b>\$ 927,262</b>
<b>NON-OPERATING EXPENSES</b>					
Interest Expense	\$ 457,281	\$ 265,845	\$ 456,379	\$ 455,627	\$ 451,267
Interest Expense - Lease	1,782	936	2,718	-	1,313
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 459,062</b>	<b>\$ 266,781</b>	<b>\$ 459,096</b>	<b>\$ 455,627</b>	<b>\$ 452,580</b>
<b>TOTAL EXPENSES</b>	<b>\$ 35,389,832</b>	<b>\$ 18,830,849</b>	<b>\$ 37,368,626</b>	<b>\$ 37,812,867</b>	<b>\$ 39,282,246</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 8,875,966</b>	<b>\$ 6,710,631</b>	<b>\$ 12,648,017</b>	<b>\$ 8,473,993</b>	<b>\$ 8,369,634</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Land Improvements				\$ 38,000	\$ -
Capital Improvements				10,000	-
Water Treatment Plant & Facilities				-	54,990
Sewage Treatment Plant & Facilities				100,000	16,600
Maintenance Equipment				8,000	41,500
Transportation Equipment				88,000	52,000
Software				1,662	3,586
Computer Equipment				83,124	279,283
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 328,786</b>	<b>\$ 447,960</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ (505,207)	\$ (264,144)
Bond Principal				(1,640,000)	(1,649,167)
Lease Principal				-	(8,364)
Repair and Replacement Transfers				(6,000,000)	(6,000,000)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (8,145,207)</b>	<b>\$ (7,921,675)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 8,875,966</b>	<b>\$ 6,710,631</b>	<b>\$ 12,648,017</b>	<b>\$ 0</b>	<b>\$ -</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - Woodlands Repair and Replacement**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OTHER REVENUES</b>					
Interest Income	\$ 64,020	\$ 308,019	\$ 368,061	\$ -	\$ 198,000
Other Gains & Losses	89	-	89	-	-
<b>TOTAL OTHER REVENUES</b>	<b>\$ 64,109</b>	<b>\$ 308,019</b>	<b>\$ 368,150</b>	<b>\$ -</b>	<b>\$ 198,000</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Engineering	\$ 283,760	\$ 83,753	\$ 219,786	\$ -	\$ -
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 283,760</b>	<b>\$ 83,753</b>	<b>\$ 219,786</b>	<b>\$ -</b>	<b>\$ -</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>					
Wells	\$ 226,275	\$ -	\$ 8,514	\$ 1,432,000	\$ 1,618,710
Tanks	1,828,541	282,611	1,029,926	442,000	2,174,800
Clarifier	77,310	66,178	137,548	-	-
Lines, Valves, & Pipes	221,945	134,235	278,485	2,086,000	54,000
Chlorinator	491	-	-	-	-
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 2,354,562</b>	<b>\$ 483,024</b>	<b>\$ 1,454,472</b>	<b>\$ 3,960,000</b>	<b>\$ 3,847,510</b>
<b>TOTAL EXPENSES</b>	<b>\$ 2,638,322</b>	<b>\$ 566,777</b>	<b>\$ 1,674,258</b>	<b>\$ 3,960,000</b>	<b>\$ 3,847,510</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (2,574,213)</b>	<b>\$ (258,758)</b>	<b>\$ (1,306,108)</b>	<b>\$ (3,960,000)</b>	<b>\$ (3,649,510)</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Water Treatment Plant & Facilities				\$ 3,797,000	\$ 1,728,250
Sewage Treatment Plant & Facilities				-	4,300,300
Software				675,000	300,000
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 4,472,000</b>	<b>\$ 6,328,550</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 11,333,930	\$ 16,177,829
Repair and Replacement Transfers				6,000,000	6,000,000
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 17,333,930</b>	<b>\$ 22,177,829</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (2,574,213)</b>	<b>\$ (258,758)</b>	<b>\$ (1,306,108)</b>	<b>\$ 8,901,930</b>	<b>\$ 12,199,769</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - Waste Disposal Bonds**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OPERATING REVENUES</b>					
Capacity Revenue	\$ 990,150	\$ 289,688	\$ 977,250	\$ 980,830	\$ 976,750
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 990,150</b>	<b>\$ 289,688</b>	<b>\$ 977,250</b>	<b>\$ 980,830</b>	<b>\$ 976,750</b>
<b>OTHER REVENUES</b>					
Interest Income	\$ 3,206	\$ 6,556	\$ 9,646	\$ 120	\$ 6,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 3,206</b>	<b>\$ 6,556</b>	<b>\$ 9,646</b>	<b>\$ 120</b>	<b>\$ 6,000</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Disclosure Filing	\$ 250	\$ 250	\$ 250	\$ 500	\$ 500
Paying Agent Fees	750	-	750	750	750
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,000</b>	<b>\$ 250</b>	<b>\$ 1,000</b>	<b>\$ 1,250</b>	<b>\$ 1,250</b>
<b>NON-OPERATING EXPENSES</b>					
Interest Expense	\$ 332,250	\$ 179,388	\$ 316,950	\$ 305,950	\$ 279,000
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 332,250</b>	<b>\$ 179,388</b>	<b>\$ 316,950</b>	<b>\$ 305,950</b>	<b>\$ 279,000</b>
<b>TOTAL EXPENSES</b>	<b>\$ 333,250</b>	<b>\$ 179,638</b>	<b>\$ 317,950</b>	<b>\$ 307,200</b>	<b>\$ 280,250</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 660,106</b>	<b>\$ 116,606</b>	<b>\$ 668,946</b>	<b>\$ 673,750</b>	<b>\$ 702,500</b>
<b>OTHER SOURCES (USES)*</b>					
Bond Principal				\$ (673,750)	\$ (697,917)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (673,750)</b>	<b>\$ (697,917)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 660,106</b>	<b>\$ 116,606</b>	<b>\$ 668,946</b>	<b>\$ -</b>	<b>\$ 4,583</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - Water Supply Bonds**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OPERATING REVENUES</b>					
Capacity Revenue	\$ 2,310,500	\$ 711,604	\$ 2,280,563	\$ 2,313,563	\$ 2,286,250
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,310,500</b>	<b>\$ 711,604</b>	<b>\$ 2,280,563</b>	<b>\$ 2,313,563</b>	<b>\$ 2,286,250</b>
<b>OTHER REVENUES</b>					
Interest Income	\$ 6,529	\$ 11,679	\$ 17,997	\$ 250	\$ 12,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 6,529</b>	<b>\$ 11,679</b>	<b>\$ 17,997</b>	<b>\$ 250</b>	<b>\$ 12,000</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Disclosure Filing	\$ 250	\$ 250	\$ 250	\$ 500	\$ 500
Paying Agent Fees	750	-	750	750	750
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,000</b>	<b>\$ 250</b>	<b>\$ 1,000</b>	<b>\$ 1,250</b>	<b>\$ 1,250</b>
<b>NON-OPERATING EXPENSES</b>					
Interest Expense	\$ 861,705	\$ 462,667	\$ 819,125	\$ 788,813	\$ 712,625
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 861,705</b>	<b>\$ 462,667</b>	<b>\$ 819,125</b>	<b>\$ 788,813</b>	<b>\$ 712,625</b>
<b>TOTAL EXPENSES</b>	<b>\$ 862,705</b>	<b>\$ 462,917</b>	<b>\$ 820,125</b>	<b>\$ 790,063</b>	<b>\$ 713,875</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 1,454,325</b>	<b>\$ 260,366</b>	<b>\$ 1,478,435</b>	<b>\$ 1,523,750</b>	<b>\$ 1,584,375</b>
<b>OTHER SOURCES (USES)*</b>					
Bond Principal				\$ (1,523,750)	\$ (1,575,833)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (1,523,750)</b>	<b>\$ (1,575,833)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 1,454,325</b>	<b>\$ 260,366</b>	<b>\$ 1,478,435</b>	<b>\$ -</b>	<b>\$ 8,542</b>

\*Actuals intentionally left blank.



**San Jacinto River Authority - Future Facilities**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OPERATING REVENUES</b>					
Capital Contributions	\$ -	\$ 1,019,109	\$ 1,019,109	\$ -	\$ -
<b>TOTAL OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ 1,019,109</b>	<b>\$ 1,019,109</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OTHER REVENUES</b>					
Interest Income	\$ 17,400	\$ 85,250	\$ 101,678	\$ 1,000	\$ 36,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 17,400</b>	<b>\$ 85,250</b>	<b>\$ 101,678</b>	<b>\$ 1,000</b>	<b>\$ 36,000</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 17,400</b>	<b>\$ 1,104,359</b>	<b>\$ 1,120,787</b>	<b>\$ 1,000</b>	<b>\$ 36,000</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ -	\$ -
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ -</b>	<b>\$ -</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 17,400</b>	<b>\$ 1,104,359</b>	<b>\$ 1,120,787</b>	<b>\$ 1,000</b>	<b>\$ 36,000</b>

\*Actuals intentionally left blank.

## SJRA FY2024 Woodlands Division Risk Management – July 2023

Risk	Probability	Management Method
<b>Revenue</b>		
Revenue sales less than projected due to conservation, business closures or wet weather	Medium	<ul style="list-style-type: none"> <li>• Limited operating reserves are available to cover a small amount of deficit.</li> <li>• Can request a cash call from the MUDs.</li> <li>• Additional funding available in the R&amp;R Fund and Emergency Reserves should the shortfall be significant.</li> <li>• Delay capital projects to subsequent years.</li> <li>• Reduce transfer to R&amp;R Fund.</li> <li>• Delay non-critical items in current fiscal year.</li> </ul>
Delayed payments from Municipal Utility Districts	Low	<ul style="list-style-type: none"> <li>• Limited operating reserves are available to cover a small amount of deficit.</li> <li>• Suspend non-critical items.</li> <li>• Use of Emergency Reserve.</li> </ul>
<b>Labor (Staffing)</b>		
Inadequate staff available for daily operations in Operations and Maintenance Departments.	Low	<ul style="list-style-type: none"> <li>• Hire temporary personnel to support operations and maintenance staff.</li> <li>• Outsource some maintenance related items.</li> <li>• Increase overtime to bridge gap in staffing.</li> <li>• Conduct workload analysis to map out critical tasks.</li> </ul>
<b>Professional, Construction and Miscellaneous Services</b>		
Inadequate and/or poorly performing providers of professional, construction and/or miscellaneous services	Low	<ul style="list-style-type: none"> <li>• SJRA staff in key management positions to oversee/drive progress.</li> <li>• Project management procedures are implemented for effective project delivery including control of scope, fee, schedule and risk. Implement the Project Management Plan, as appropriate.</li> <li>• All contracts contain termination clauses.</li> <li>• Professional services contracts are typically work order based, which authorizes work one phase at a time, thereby allowing opportunity to adjust services provided.</li> </ul>
<b>Expenses</b>		
Operations or maintenance costs greater than budgeted	Medium	<ul style="list-style-type: none"> <li>• Suspend non-critical items.</li> <li>• Plan for operations costs based on historic and anticipated expenditures, with a contingency.</li> </ul>
Failure of a key Water or wastewater system component, requiring immediate funds greater than budgeted.	Low	<ul style="list-style-type: none"> <li>• Emergency Reserve Funds are available for critical and immediate repair of failed system components.</li> <li>• Increase surface water delivery until funds become available.</li> <li>• Current Risk Management and Emergency Response Plans anticipate stepped response to failures and include mitigation efforts.</li> </ul>

Risk	Probability	Management Method
		<ul style="list-style-type: none"> <li>• Can request a cash call from the MUDs.</li> </ul>
<b>Operations and Maintenance</b>		
Interruption of operations due to emergency incident (ie. Fire, Storm, Line Break, Power Outage, Terrorist Threat).	Med	<ul style="list-style-type: none"> <li>• Woodlands Emergency Response Plan provides instruction for responding to emergency incidents.</li> </ul>

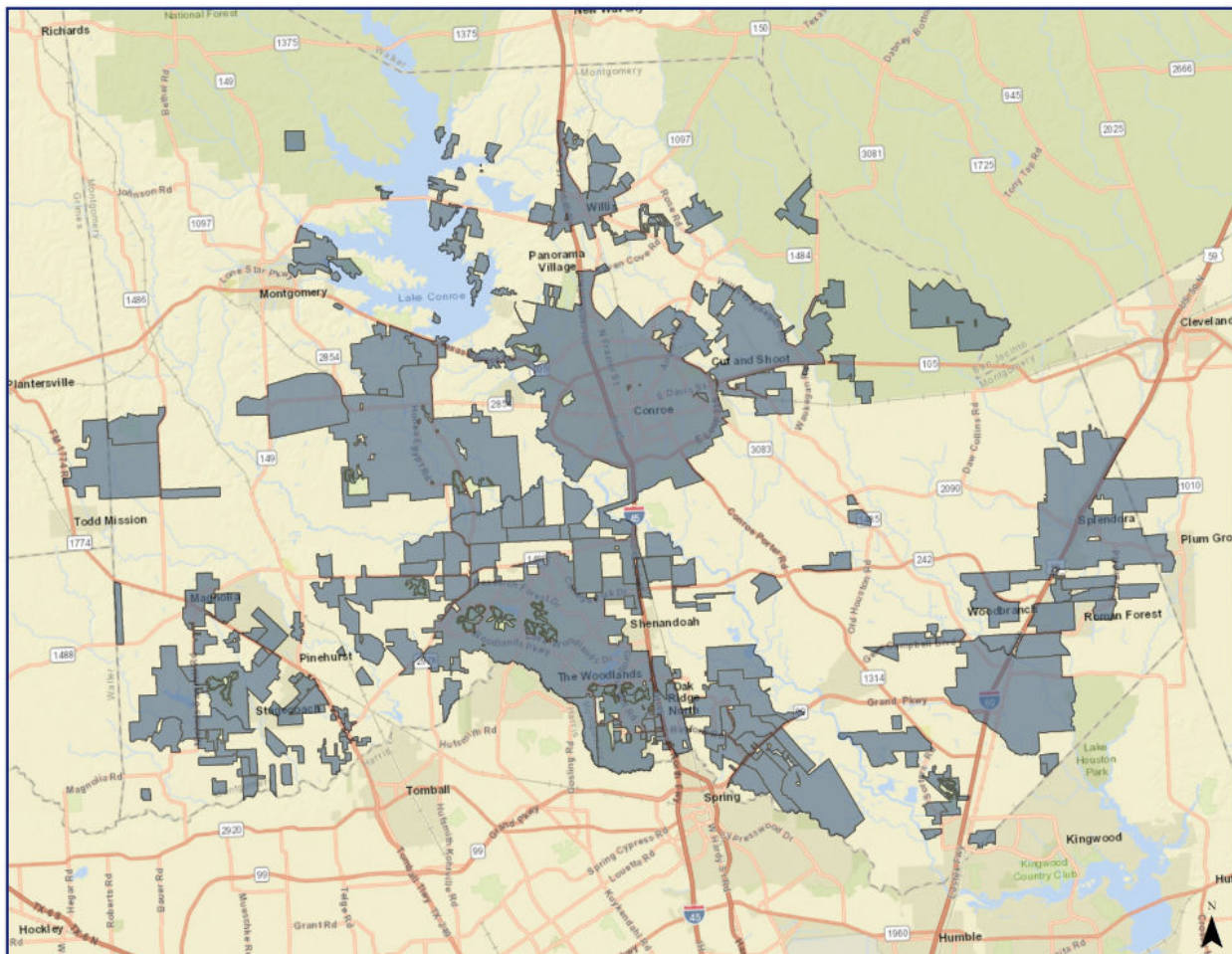


**GRP  
Division**

## GRP DIVISION

The Lone Star Groundwater Conservation District (LSGCD) issued its District Regulatory Plan Phase IIB Rules on August 20, 2009. These rules required large volume groundwater users within Montgomery County to reduce the amount of groundwater pumped by 30% for the calendar year 2016 via a Groundwater Reduction Plan (GRP). The GRP Division was created in 2010 by the Board of Directors as a separate operating division of the Authority. In 2011, the GRP Division submitted and received certification of its Groundwater Reduction Plan (Plan) to LSGCD on behalf of the Plan's participants. The Plan outlines the collective compliance strategy for the original 79 contracts. The Woodlands Division of SJRA is one of the 149 LSGCD permits that made up the original Plan. The Plan has expanded since 2011 to include 80 contracts representing 149 water systems and an estimated population of 365,000 people.

### MAP OF GRP PARTICIPANTS



The GRP Division constructed a 30 million gallon per day (MGD) surface water treatment plant on the southern shore of Lake Conroe to supply surface-water to seven participants through two main

transmission lines and 18 separate surface-water receiving facilities. The GRP Division completed the surface-water treatment facility in September 2015 and began supplying treated surface-water to seven participants, ahead of the LSGCD regulations.

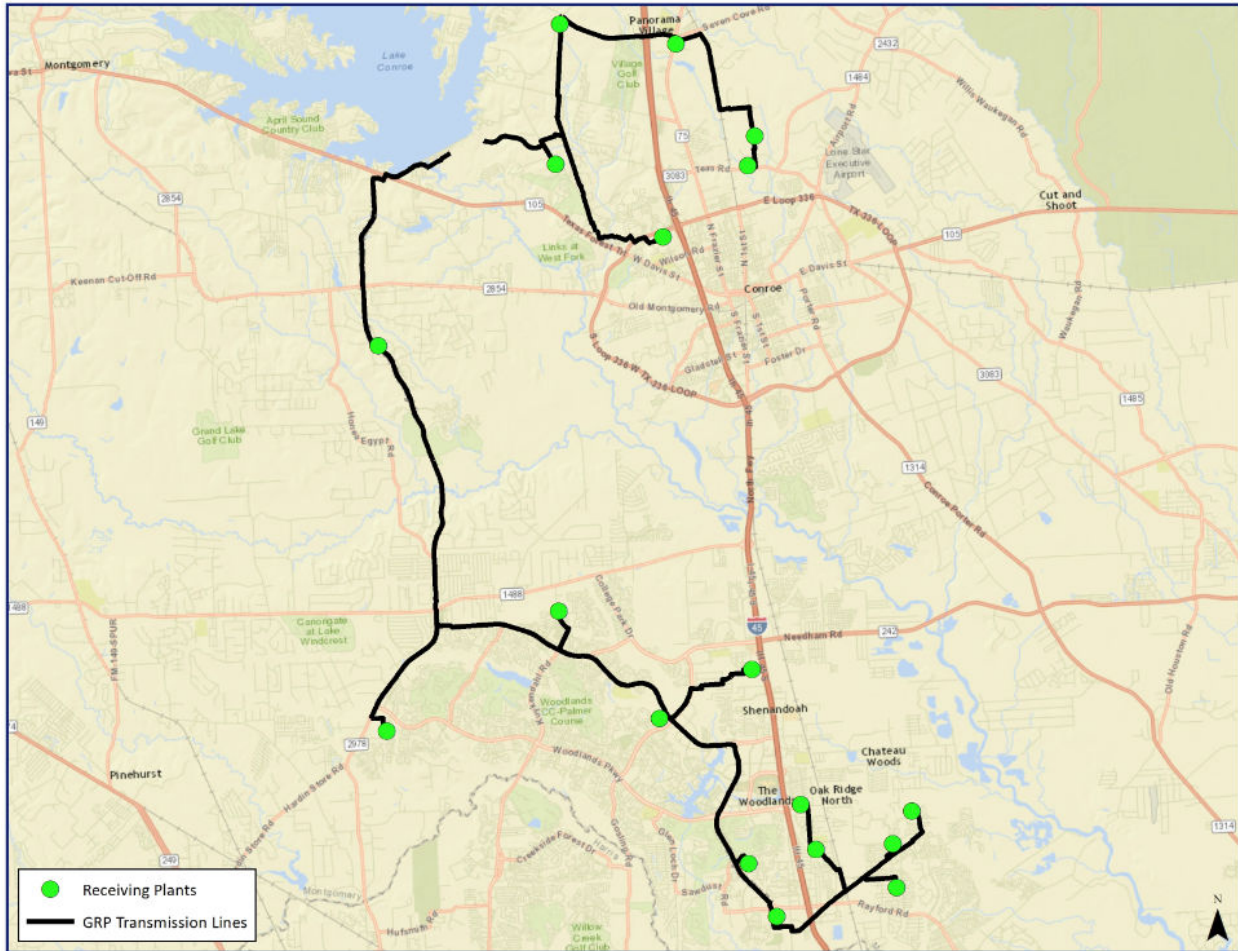
### **Adjustment to LSGCD Rules and Regulations**

In November 2018, after the Authority funded and built its GRP water treatment plant to treat and distribute surface water from Lake Conroe to large volume users in Montgomery County, a new Board of Directors was elected for the Lone Star Groundwater Conservation District (LSGCD). In February 2019, the LSGCD issued a letter notifying all groundwater users that groundwater reduction would be stricken from the LSGCD rules upon final judgement of Cause No. 15-08-08942. That judgment became final on May 17, 2019. In September 2020, LSGCD adopted new management rules that removed the requirement for large volume groundwater users within Montgomery County to reduce the amount of groundwater pumped via a Groundwater Reduction Plan (GRP) and also removed requirements to maintain a reduced pumpage through consideration of forecasted Desired Future Conditions (DFCs) of the aquifers by the regulatory body, Groundwater Management Area 14 (GMA14).

### **Responsible Action for GRP**

With the above referenced judgment, the requirement that GRP Participants must reduce groundwater pumpage is no longer in place. The GRP Division will maintain the existing participant contracts, and will properly operate, manage and maintain nearly \$500 million in assets as GMA-14 develops future DFCs and LSGCD develops new groundwater management plans and rules.

## MAP OF GRP TRANSMISSION LINES AND RECEIVING FACILITIES



**Major Initiatives:** Planned through FY2024, the GRP Division has undertaken several major initiatives to improve the operations related to the Division.

- 1. Run GRP Surface Water Treatment Plant at a reduced production rate:** In order to maintain the viability of its assets and keep expenses as low as possible, the GRP Division will operate the Surface Water Treatment Plant (SWTP) at an annual average flow rate of 13 MGD with a demand projection calculated using the 4-year average from FY2023. The GRP budget's largest expenses are the fixed costs related to debt service and payroll. The variable costs include professional fees dominated by legal costs as well as supplies, materials, and utilities (operating costs).
- 2. Asset Management:** The GRP Division is focused on improving the management of their assets through the revision and expansion of their current asset management program. The GRP Division has embraced the use of the Authority's Enterprise Asset Management and Computerized Maintenance Management System (EAM/CMMS). The EAM/CMMS system allows for the tracking of assets throughout the asset's lifetime, tracking planned and corrective maintenance, and assisting in determining the appropriate time to replace assets. Starting in FY2023, The GRP Division advanced asset management usability by implementing a Digital Water



System which collects data from existing software such as EAM and GIS and integrated into user-friendly dashboards to aid in projecting future maintenance costs and operational needs. Starting in FY2024, these dashboards will have a rate model incorporated in to allow for the projection of water and sewer rates and their related adjustments from capital projects.

- 3. Operational Efficiencies:** The GRP Division continues efforts to improve efficiency and effectiveness and reduce operations & maintenance costs. Included in those efforts are: 1) annual reviews to all standard operating procedures to ensure best industry practices, compliance with safety requirements, and consistent and improved operations, 2) refinements to demand forecasting based on recent historical averages while incorporating growth projections and 3) finalize clean-up of line easements, ensuring the Authority has accurate and documented easements for all water lines.

**Capital Improvement and Other Projects Plans:** Each year the GRP Division conducts risk assessments and evaluations of their infrastructure. The Division reviews the likelihood and consequences of failure of each asset and then prioritizes projects based on a variety of factors related to reliable, cost-effective service.

GRP - Projects	Stage	Est. FY2024 Cost	Funding Source
Membrane Replacement	Design	\$ -	R&R
Wastewater Discharge Optimization	Plan/Permit	\$ 105,000	R&R
Process Water Recovery Basins Lining-Prev. Year Project Plan	Construction	\$ 500,000	R&R
Digital Water Part 2-Not in Project Plan	Implementation	\$ 300,000	Cash
<b>Total</b>		<b>\$ 905,000</b>	

**Total Indebtedness and Annual Debt Service:** At August 31, 2022, the GRP Division currently had \$437,245,000 of total indebtedness, made up of the following bond issuances:

- Series 2009 Special Project Revenue Bonds (Outstanding: \$13,145,000; Matures 10/1/28)
- Series 2011 Special Project Revenue Bonds (Outstanding: \$64,615,000; Matures 10/1/37)
- Series 2011A Special Project Revenue Bonds (Outstanding: \$47,525,000; Matures 10/1/35)
- Series 2012 Special Project Revenue Bonds (Outstanding: \$128,560,000; Matures 10/1/37)
- Series 2012A Special Project Revenue Bonds (Outstanding: \$149,545,000; Matures 10/1/40)
- Series 2013 Special Project Revenue Bonds (Outstanding: \$31,945,000; Matures 10/1/40)
- Series 2016 Special Project Revenue Bonds (Outstanding: \$1,910,000; Matures 10/1/41)

Annual debt service (principal and interest) for FY2024 for the above bond issuances is \$34,670,894. Bond payments are made each year in April (interest only) and October (principal and interest). Accruals of principal and interest are made monthly. Debt Service Reserves for the above bond issuances have been fully funded for the majority of FY2023.

**Staffing Plans:** The GRP Division’s staffing plan for FY2024 includes 25 direct FTE positions, with no part-time, temporary, or intern positions. In addition to the 25 direct GRP Division FTEs, the Division receives an allocation of 16.22 FTEs for FY2024 from G&A Departments and the Utility Enterprise. Total FY2024 FTEs associated with the GRP Division, direct and allocated, is 41.22 FTEs.

**Revenues:**



One of the first activities in the budgeting process for the GRP Division is to determine the cumulative total water demand of its participants and then further define the groundwater portion and the surface-water portion. As was described under GRP's major initiatives related to water demand projections and the surface water production rate, the water demand used in FY2023 will be utilized in FY2024 due to a drought that skewed the demand numbers for FY2024. The surface water production rate is planned to be 4.745 billion gallons.

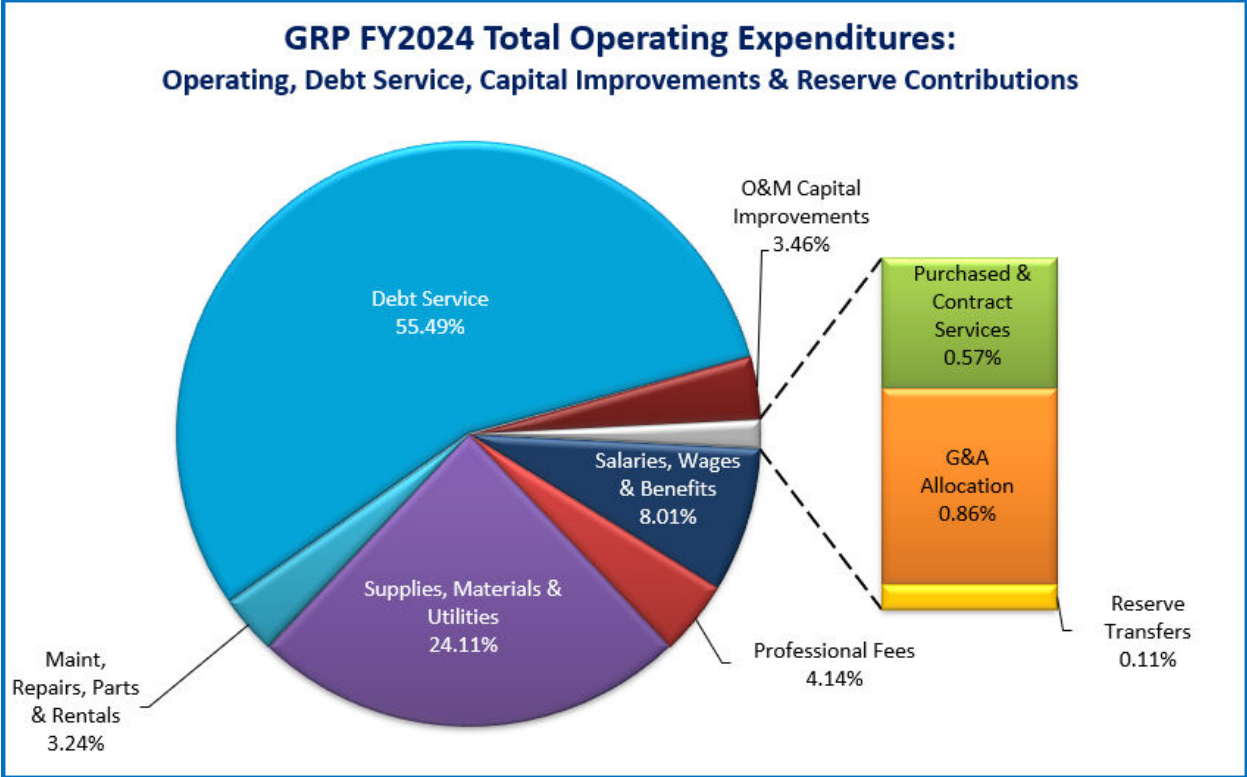
The GRP rates will not be increased in FY2024. The GRP Pumping Fee rate to its participants is budgeted to be \$2.99 per 1,000 gallons resulting in groundwater revenues totaling \$45,334,724. The GRP Surface-Water Fee to its participants is budgeted to be \$3.41 per 1,000 gallons, resulting in surface-water revenues totaling \$16,180,450. Other revenues from office rental total \$31,608. Interest Income is budgeted to be \$93,600. In addition, the GRP Division will receive Industrial Revenue and Industrial Reservation Fees in the amount of \$836,604 from Entergy, which will help offset costs of water supply reserved for future use but not required to meet FY24 Surface Water production demands.

Expected O&M revenues for the GRP Division for FY2024 total \$62,476,986

**Expenditures:** The FY2024 GRP Division expenses contain regular and customary expenses related to the on-going operation and maintenance of the GRP's Surface-Water Treatment Plant. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- G&A Allocations
- Debt Service (principal and interest)
- O&M Capital Improvements (non-bond related)
- Reserve Contributions (when budgeted)

Expected total O&M expenditures for the GRP Division for FY2024, including operating, debt service, capital improvements, and any other cash uses, totals \$62,476,986.



**Fund Balance and Reserves:** Based upon actual monthly revenues and expenditures for FY2024, along with the forecasted monthly revenues and expenditures for the remaining FY2023 months, the operating fund balance for the GRP Division for the end of FY2023, beginning of FY2024, is projected to be above the established three-month operating reserve.

As approved by the GRP Review Committee on July 22, 2019 and approved by the Board of Directors on July 25, 2019, the GRP Division utilizes two reserves and a R&R Fund:

**Operating & Rate Stabilization Reserve:** The GRP Operating & Rate Stabilization Reserve (Operating Reserve) was established for cash flow management, and rate and revenue stabilization. The Operating Reserve target for the GRP Division is set to an amount equal to three months of operating expenditures with a minimum balance of \$6,152,239 for FY23 and \$6,393,549 for FY24. For FY2023, the GRP Division was able to fund the three-month Operating Reserve target utilizing surplus funds from FY2022. As of the beginning of FY2023 the Operating Reserve and General Fund balance combined was \$11,848,884, roughly 5.78 months of operating reserves. For year-end of F2023 , the Operating Reserve is projected to exceed the three month target of operating expenses.

**Emergency Reserve:** The GRP Emergency Reserve was established to provide for a full or partial source of funds for unplanned or emergency repair or replacement of GRP capital assets. The Emergency Reserve target for the GRP is set to an amount equal to the approximate cost of water line break repair costs, \$2,000,000. Emergency Reserve contributions are to be made only after the Operating & Rate Stabilization Reserve funding targets are met. In FY2023, \$700,000 was budgeted for transfer into the Emergency Reserve to account for the \$350,000 that did not occur in FY2022 and

a \$350,000 transfer in FY2023. Due to surplus funds from high demand in FY2022, the Emergency Reserve was fully funded in FY2023.

**Repair & Replacement (R&R Fund):** The GRP R&R Fund was established to provide annual funding for the renewal and/or replacement of GRP assets with an anticipated life expectancy greater than 10 years, in order to prevent significant rate fluctuations, with a minimum balance of \$3,400,000. R&R Fund contributions are to be made only after the Operating & Rate Stabilization Reserve and Emergency Reserve funding targets are met. For FY2023, \$1,200,000 was budgeted for transfer to the R&R Fund to account for the \$600,000 that did not occur in FY2022 and a \$600,000 transfer in FY2023. Due to surplus funds from high demand in FY2022, the Repair & Replacement Fund is fully funded at \$4,600,000.

For FY2024, the net between revenues and expenditures, including annual debt service and scheduled contributions to any of the two reserves and the R&R fund, is \$0.

**San Jacinto River Authority - GRP**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022- Mar 2023	FY2023	FY2024	
<b>OPERATING REVENUES</b>						
General Industrial Water Revenue	\$ 580,642	\$ 352,125	\$ 596,447	\$ 613,200	\$ 653,441	
Industrial Reservation Fee	154,906	100,120	169,895	200,847	183,163	
GRP Pumping Fees	44,797,514	25,423,684	50,718,451	36,870,625	36,980,542	
GRP Pumping Fees-Woodlands	10,396,973	4,277,853	10,620,284	8,464,100	8,354,182	
GRP Surface Water Sales	6,907,476	2,779,129	5,975,690	6,527,412	6,652,771	
GRP Surface Water Sales-Woodlands	7,621,106	4,639,707	8,500,730	9,653,037	9,527,679	
Repair Recovery Revenue	316,054	-	-	-	-	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 70,774,671</b>	<b>\$ 37,572,617</b>	<b>\$ 76,581,497</b>	<b>\$ 62,329,221</b>	<b>\$ 62,351,778</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ 287,224	\$ 1,455,091	\$ 1,724,445	\$ -	\$ 93,600	
Interest on Accounts Receivable	2,202,683	1,837,580	2,814,162	-	-	
Office Rental Revenue	4,500	3,150	4,500	5,400	31,608	
FEMA Grant Revenue	32,853	-	5,476	-	-	
Proceeds From Sale Of Assets	9,000	-	9,000	-	-	
Other Gains & Losses	3,585	1,181	4,766	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 2,539,845</b>	<b>\$ 3,297,002</b>	<b>\$ 4,562,349</b>	<b>\$ 5,400</b>	<b>\$ 125,208</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 1,626,067	\$ 919,686	\$ 1,697,253	\$ 1,889,896	\$ 1,776,517	
Salary & Wage Allocation	1,597,261	793,304	1,546,558	1,741,221	1,775,348	
Staffing Services	54,755	4,834	23,519	25,000	25,000	
Compensated Absences	6,701	-	6,701	-	-	
Group Insurance	697,453	377,455	656,780	728,428	694,035	
Group Retirement Expense	344,730	217,693	370,666	399,423	406,305	
Workers Compensation Insurance	50,320	16,893	42,423	65,722	61,821	
Social Security Taxes	242,030	123,976	236,135	273,321	266,253	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 4,619,316</b>	<b>\$ 2,453,840</b>	<b>\$ 4,580,035</b>	<b>\$ 5,123,011</b>	<b>\$ 5,005,281</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 1,352,355	\$ 889,669	\$ 1,731,376	\$ 2,100,000	\$ 2,100,000	
Disclosure Filing	500	500	500	500	500	
Annual Financial Audit	25,386	13,359	17,659	22,000	22,000	
Arbitrage Rebate Audit	6,500	-	6,500	3,250	3,250	
Paying Agent Fees	7,000	1,750	3,750	4,500	5,250	
Engineering	157,008	43,459	133,784	220,000	435,000	
Crane Inspections	-	3,087	3,087	6,700	9,200	
Safety Inspections & Testing	754	-	488	1,000	1,000	
Graphic Design	4,221	2,500	3,750	7,500	7,500	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 1,553,725</b>	<b>\$ 954,324</b>	<b>\$ 1,900,894</b>	<b>\$ 2,365,450</b>	<b>\$ 2,583,700</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 6,328	\$ 2,894	\$ 5,888	\$ 4,200	\$ 5,720	
Sludge Disposal	142,616	73,569	138,446	175,000	186,560	
Meter Calibration Services	3,000	-	3,000	3,000	3,000	
Commercial Laboratory Fees	11,185	5,991	10,843	23,000	40,000	
Other Services	2,731	1,402	2,430	5,500	6,100	
Groundwater District Fees	128	128	128	500	500	
Employee Testing- New	1,010	138	138	3,715	3,750	
Janitorial Services	36,300	22,225	37,350	37,950	37,950	
Water Conservation & Public Education	19,641	4,788	16,837	36,250	60,444	
Website Hosting & Maintenance	-	(34)	(34)	-	1,445	
Meeting Expenses	4,030	1,413	3,657	5,400	5,400	
Public Official Liability	5,307	3,139	5,364	3,500	5,500	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 232,275</b>	<b>\$ 115,652</b>	<b>\$ 224,046</b>	<b>\$ 298,015</b>	<b>\$ 356,369</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 11,763	\$ 5,753	\$ 12,919	\$ 13,000	\$ 15,000	
Travel	4,372	2,103	5,076	5,900	7,000	
Automobile & Truck Expense	17,786	21,190	28,992	26,500	22,000	
Storm Preparedness & Response	130	-	-	2,500	2,500	
Postage	2,730	2,351	3,587	3,000	4,800	
Property Insurance	446,910	289,301	476,949	1,046,160	277,500	

**San Jacinto River Authority - GRP**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023		FY2023	FY2024
Auto Insurance	14,854	9,245	15,506		20,196	17,500
Liability Insurance	13,783	8,587	15,113		36,828	16,500
Small Tools Purchases	15,190	3,812	12,556		15,000	15,000
Training-External	6,921	13,510	16,034		23,500	34,500
Training-Internal	2,669	195	1,554		5,000	-
Training-Employee HR	10,208	341	6,158		17,800	17,900
Copper Sulfate	8,915	10,752	19,667		20,108	27,539
Citric Acid	132,581	43,846	101,317		173,169	205,031
Granulated Activated Carbon	1,952,139	2,210,284	2,922,981		2,700,000	2,923,044
Aluminum Chlorohydrate	437,940	264,287	524,674		862,437	999,999
Sodium Permanganate	94,208	54,852	117,796		130,621	232,353
Sodium Bisulfate	16,433	7,431	18,575		18,559	25,969
Sodium Hydroxide	28,967	14,811	30,180		264,537	332,468
Sodium Hypochlorite	272,126	149,294	308,352		354,900	522,235
Polymer	27,784	10,419	24,311		39,378	46,202
Managers Expense	1,456	173	1,112		2,000	2,000
Employee Relations	3,936	5,203	6,483		7,550	7,920
Fuel	66,790	33,086	72,320		115,600	132,100
Uniform Services	21,388	4,514	12,269		13,730	13,560
Maintenance Supplies	8,590	9,841	13,776		13,000	25,000
Supplies - Lab	17,292	8,651	17,939		14,500	17,500
Operations Supplies	17,319	11,003	19,758		27,000	32,800
Memberships & Professional Dues	1,610	937	1,812		1,000	1,600
Copier, Scanner & Fax	5,334	2,852	5,317		3,625	10,030
Utilities-Electric	1,199,201	837,152	1,385,927		1,216,250	1,595,850
Utilities-Sewer	144,113	99,641	170,229		237,300	182,930
Lab Contracts-Support/Maintenance	8,831	6,566	10,955		12,500	15,000
Reservation Fees-City of Houston	2,498,727	2,579,148	2,579,148		3,006,146	3,001,926
Reservation Fees-SJRA	454,413	324,887	480,509		299,054	318,664
Supply Use Fee-SJRA	2,263,194	1,163,972	2,269,071		3,113,448	3,317,848
Bank Service Charges	(70)	(35)	(70)		-	-
Personal Protective Equipment	629	3,695	4,080		6,840	8,640
Safety Equipment & Meetings	1,582	2,939	4,096		2,000	5,000
Health & Wellness Program	-	-	-		1,900	1,900
Recruiting Expenses	10,175	4,257	11,947		11,875	19,000
Computer Hardware	85,705	15,105	42,362		67,247	158,578
Software & Support	124,677	79,167	136,885		119,015	249,734
Software Maintenance	56,885	32,021	56,412		70,300	75,000
Physical Security	30,501	24,348	26,349		48,038	42,000
Network Communications	10,581	6,125	10,620		7,258	23,252
Publications & Subscriptions	141	-	-		500	1,300
Newspaper Ads	-	-	-		1,000	1,000
Wireless Devices & Services	22,297	11,747	22,246		31,680	43,300
Phone System-Install, Maintenance, & Changes	-	6,881	6,881		806	5,021
Landline Telephone Services	10,310	7,920	12,828		4,903	11,532
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 10,584,016</b>	<b>\$ 8,404,159</b>	<b>\$ 12,043,555</b>	<b>\$</b>	<b>\$ 14,235,158</b>	<b>\$ 15,065,026</b>
<b>RENTALS</b>						
Equipment Rentals	\$ 86	\$ -	\$ -	\$	1,000	\$ 4,000
<b>TOTAL RENTALS</b>	<b>\$ 86</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$</b>	<b>1,000</b>	<b>\$ 4,000</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Office, Furniture, & Fixtures	\$ 2,306	\$ 505	\$ 505	\$	2,000	\$ 2,000
Air Conditioner	164,780	99,023	145,012		160,000	70,000
Mowing	61,153	22,688	46,087		132,000	115,600
Buildings & Grounds Maintenance	76,362	43,027	99,583		81,000	56,400
Building Repair & Modifications	1,122	-	737		-	-
Plants & Facilities	37,428	37,220	49,490		146,500	188,500
Security System Monitoring	5,947	4,145	9,269		5,180	3,500
Electrical	65,367	130,127	160,708		226,200	439,000
Generators	25,275	33,172	36,371		43,700	113,700
Pumps & Motors	30,642	11,076	15,507		64,500	64,500
Compressor	-	-	-		10,000	10,000
Aerators	4,574	3,845	5,457		7,000	10,000
Machinery, Tools, & Implements	12,201	14,833	22,975		34,800	27,900

**San Jacinto River Authority - GRP**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals		Budget FY2023	Budget FY2024
			Apr 2022- Mar 2023			
Belt Press	4,932	-	2,100		17,000	19,000
Pipeline Transmission System Lines, Valves, & Pipes	222,382	1,002	36,527		630,000	349,000
Laboratory Equipment	10,108	106,009	106,256		65,000	65,000
Instrumentation Equipment & Parts	-	1,073	1,073		3,500	5,500
Pretreatment	273,076	57,495	113,945		164,280	163,000
Membrane	5,419	-	-		6,000	36,000
Networking and Communications - SCADA	22,616	6,181	7,188		40,000	25,000
Chemical Handling	1,003	97	178		1,800	1,800
A/C Contracts-Support/Maintenance	13,417	5,367	15,578		10,000	15,000
Electrical Contracts-Support/Maintenance	10,492	6,183	11,186		10,600	10,920
Compressor Contracts-Support/Maintenance	102,426	36,562	79,239		67,000	62,700
Aerator Contracts-Support/Maintenance	18,085	11,844	19,175		21,000	25,000
Membrane Contracts-Support/Maintenance	132,000	77,000	132,000		136,100	132,000
Inventory Gains and Losses	7,400	4,779	7,862		7,800	9,000
Bad Debt Expense	(427)	(849)	(936)		-	-
Bad Debt Expense	(205,486)	-	(205,486)		-	-
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 1,104,601</b>	<b>\$ 712,403</b>	<b>\$ 917,588</b>		<b>\$ 2,092,960</b>	<b>\$ 2,020,020</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 144,276	\$ 206,993	\$ 140,922		\$ 493,362	\$ 539,801
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 144,276</b>	<b>\$ 206,993</b>	<b>\$ 140,922</b>		<b>\$ 493,362</b>	<b>\$ 539,801</b>
<b>NON-OPERATING EXPENSES</b>						
Interest Expense	\$ 19,285,502	\$ 10,963,976	\$ 18,983,208		\$ 18,764,085	\$ 18,200,894
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 19,285,502</b>	<b>\$ 10,963,976</b>	<b>\$ 18,983,208</b>		<b>\$ 18,764,085</b>	<b>\$ 18,200,894</b>
<b>TOTAL EXPENSES</b>	<b>\$ 37,523,796</b>	<b>\$ 23,811,348</b>	<b>\$ 38,790,248</b>		<b>\$ 43,373,041</b>	<b>\$ 43,775,090</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 35,790,720</b>	<b>\$ 17,058,270</b>	<b>\$ 42,353,598</b>		<b>\$ 18,961,580</b>	<b>\$ 18,701,896</b>
<b>CAPITAL IMPROVEMENTS*</b>						
Water Treatment Plant & Facilities					\$ 1,915,000	\$ 1,696,500
Maintenance Equipment					18,500	-
Transportation Equipment					120,000	40,000
Software					676,038	302,187
Computer Equipment					43,203	126,094
Telephone System					-	-
<b>TOTAL CAPITAL IMPROVEMENTS</b>					<b>\$ 2,772,741</b>	<b>\$ 2,164,781</b>
<b>OTHER SOURCES (USES)*</b>						
Bond Proceeds					\$ 600,000	\$ -
Bond Principal					(15,874,583)	(16,470,000)
Operating Reserve Fund					5,685,744	-
Emergency Reserve Fund					(2,000,000)	-
Capital Repair/Replacement Reserve Fund					(4,600,000)	(67,115)
<b>TOTAL OTHER SOURCES (USES)</b>					<b>\$ (16,188,839)</b>	<b>\$ (16,537,115)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 35,790,720</b>	<b>\$ 17,058,270</b>	<b>\$ 42,353,598</b>		<b>\$ -</b>	<b>\$ -</b>

\*Actuals intentionally left blank.

## SJRA FY2024 GRP Risk Management – July 2023

Risk	Probability	Management Method
<b>Revenue</b>		
Total water demand lower than projected will cause revenue shortfall	Med	<ul style="list-style-type: none"> <li>Lowered SWTP production rate to reduce operating costs and account for years with higher amounts of rainfall.</li> </ul>
Additional short/ no pays by Participants	Med	<ul style="list-style-type: none"> <li>If available, utilize O&amp;M reserves to cover expenses.</li> <li>Utilize debt service reserve to cover expenses not able to be covered by O&amp;M reserves.</li> </ul>
<b>Labor (Staffing)</b>		
Inadequate staff available for daily operations in Operations and Maintenance Departments.	Low	<ul style="list-style-type: none"> <li>Hire temporary personnel to support operations and maintenance staff.</li> <li>Outsource some maintenance related items.</li> <li>Increase overtime to bridge gap in staffing.</li> <li>Conduct workload analysis to map out critical tasks.</li> </ul>
<b>Professional, Construction and Miscellaneous Services</b>		
Inadequate and/or poorly performing providers of professional, construction and/or miscellaneous services	Low	<ul style="list-style-type: none"> <li>SJRA staff in key management positions to oversee/drive progress.</li> <li>Project management procedures are implemented for effective project delivery including control of scope, fee, schedule and risk. Implement the Project Management Plan, as appropriate.</li> <li>All contracts contain termination clauses.</li> <li>Professional services contracts are typically work order based, which authorizes work one phase at a time, thereby allowing opportunity to adjust services provided.</li> </ul>
<b>Expenses</b>		
Additional or extended lawsuits	Med	<ul style="list-style-type: none"> <li>Delay O&amp;M expenses where possible.</li> <li>Utilize Debt Service Reserve to cover expenses.</li> </ul>
Failure of a key Water system component, requiring immediate funds greater than budgeted.	Low	<ul style="list-style-type: none"> <li>Emergency Reserve Funds are not available for critical and immediate repair of failed system components.</li> <li>Decrease surface water delivery till funds become available.</li> <li>Current Risk Management and Emergency Response Plans anticipate stepped response to failures and include mitigation efforts.</li> <li>Utilize insurance policy, if available.</li> </ul>
<b>Operations and Maintenance</b>		
Interruption of operations due to emergency incident (i.e. Fire, Storm, Line Break, Power Outage, Terrorist Threat).	Med	<ul style="list-style-type: none"> <li>GRP Emergency Response Plan provides instruction for responding to emergency incidents.</li> </ul>



# Flood Management Division



## FLOOD MANAGEMENT DIVISION

---

In response to a March 2018 press release by Texas Governor Greg Abbott, the Authority immediately began taking a more active role in regional flood management by creating a Flood Management Division to oversee the development of short-term and long-term flood management strategies; build partnerships with federal, state, and local government entities; and identify funding sources and opportunities for flood mitigation in the region. Unlike other entities in Texas with flood mitigation responsibilities, the Authority receives no funding from the State of Texas, nor does it have authority to collect taxes, for the purpose of funding flood mitigation efforts. With its acceptance of Governor Abbott's challenge and creation of the Flood Management Division, the Authority now works to accomplish the complex task of serving as a flood mitigation leader in the Upper San Jacinto River Basin without any form of dedicated funding to facilitate related efforts. Accordingly, the Flood Management Division has taken on the role of a facilitator of regional flood projects by participating in regional planning efforts to identify projects, seeking grants and funding partners to fund identified projects, and providing project/grant management and other in-house services to facilitate projects and assist in meeting local-match funding requirements. This approach allows the Authority to assist in accomplishing large scale projects and efforts that would not be possible for the Authority to complete on its own.

**Major Initiatives:** The Flood Management Division is currently engaged in, and planning in FY2024 to continue or begin, a number of activities as outlined below:

- 1. Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study:** This study is a continuation or next phase of the San Jacinto Regional Watershed Master Drainage Plan project (SJMDP), led by Harris County Flood Control District with the Authority as one of multiple partners, and which included the Spring Creek Siting Study as a sub-task. The Spring Creek Siting Study explored multiple alternative projects/detention siting locations to provide flood mitigation benefits to the Spring Creek watershed. Two of the more cost-effective alternatives identified in the Spring Creek watershed – dams on Walnut Creek and Birch Creek – were recommended for implementation in the SJMDP. This project, a feasibility study, includes environmental due diligence, conceptual-level design, modeling updates, and benefit-cost analysis. Dams are anticipated to be "dry-bottom" dams with no or very minimal permanent water storage. The outcome of this study will allow project sponsors to determine the most feasible and economical alternative(s) for possible future development, and the study is required before any commitments may be made for financing, design, environmental permitting, land acquisition or construction of either or both dams. Future phase(s) are dependent on identification of feasible and cost-effective project(s) in this feasibility study, as well as identification of a project sponsor capable of obtaining funding (likely through federal support) and owning, operating, and maintaining any recommended infrastructure. Future phase efforts are anticipated to be performed by this sponsor. If feasible options cannot be identified, the study scope could potentially be adjusted to explore different strategies in the Spring Creek watershed. This project is funded by the Texas Water Development Board (TWDB) Flood Infrastructure Fund (FIF) grant program along with local funding partners Harris County Flood Control District, City of Humble, and five municipal utility districts in the Woodlands area. In addition to in-kind services, only minor cash expenditures from the Flood Management

Division budget are anticipated by the Authority. This study began in FY2022 (though in-kind efforts began in FY2021) and is anticipated to continue into FY2024.

- 2. *Upper San Jacinto River Basin Regional Sedimentation Study:*** This study will identify sediment source and storage characteristics across the various watersheds of the Upper San Jacinto River Basin. With this information, sub-watersheds and individual locations can be prioritized for improvements, and conceptual solutions (potential future projects/efforts with the goal of reducing sediment inputs and/or enhancing sediment storage to mitigate the loss of floodway conveyance), as well as non-construction best management practices, can be developed and analyzed. For project/construction solutions, these efforts will include development of cost estimates and benefit/cost analysis, development of preliminary/conceptual schematics, and preliminary permitting and land acquisition requirement evaluation. All identified projects, efforts, and practices will be ranked and included in an implementation plan, and ultimately all information developed as part of this study will be compiled into a regional sediment management plan which can guide sedimentation mitigation efforts in the future. The study is funded by the Texas Water Development Board (TWDB) Flood Infrastructure Fund (FIF) grant program along with local funding partners Harris County Flood Control District, City of Humble, and City of Houston. In addition to in-kind services, only minor cash expenditures from the Flood Management Division budget are anticipated by the Authority. This study began in FY2022 (though in-kind efforts began in FY2021) and is anticipated to continue through FY2024.
- 3. *Lake Conroe - Lake Houston Joint Reservoir Operations Study:*** The goal of this study is to determine the most efficient and safe operation of Lake Conroe and Lake Houston in series once additional gates are installed at the Lake Houston Dam. The primary elements of work planned to be included in this study are:

  - 1) Development of an inflow forecasting tool for Lake Houston.
  - 2) Development of a gate operations policy for proposed spillway improvements at the Lake Houston Dam to ensure gate changes during a rainfall event at Lake Conroe are considered and analyzed to appropriately assist in recommended gate operations protocols at Lake Houston, including the consideration of runoff between the two reservoirs and all other inflows into Lake Houston.
  - 3) Development of joint notification protocols and public communication strategies, consistent with the requirements of House Bill 26 passed during the 86th Texas Legislative Session.
  - 4) Evaluation of the feasibility and effectiveness of pre-releases at either or both reservoirs with the addition of spillway improvements at Lake Houston. The evaluation will consider the impacts, benefits, and risks during different weather scenarios, to ensure that special considerations are made for unique situations such as storm surge during tropical events. Impacts on water supply resulting from pre-releases will also be evaluated.

The study is planned to be funded by the Texas Water Development Board (TWDB) Flood Infrastructure Fund (FIF) grant program along with local funding partners City of Humble and City of Houston. In addition to in-kind services, only minor cash expenditures from the Flood Management Division budget are anticipated by the Authority. The study is currently on hold, and its schedule and scope are subject to change, pending the results of Lake Houston spillway improvements preliminary design (PER) efforts by the City of Houston. The City is currently

working to acquire funding for the entire Lake Houston spillway improvements project before proceeding with PER efforts. The study may begin in FY2024.

- 4. *Flood Early Warning System for San Jacinto County:*** This project involves the installation of three new flood early warning gage sites within San Jacinto County. The County selected these locations based on previous flood events. The Authority is performing project management, design, permitting, and equipment procurement and installation efforts in-house, with some supplementary efforts performed by consultants/third parties. Gage sites will be installed near Winters Bayou at SH 150, Peach Creek at FM 3081, and East Fork San Jacinto River at FM 945. Once the gage sites are installed, the gage data will be visible on SJRA's Conrail website and Harris County Flood Control District's Floodwarn website. The project is funded by the Texas Water Development Board (TWDB) Flood Infrastructure Fund (FIF) grant program along with in-kind services and minor cash expenditures by SJRA. SJRA will perform ongoing maintenance of the gages and associated equipment, with funding for these activities to be provided by San Jacinto County.
  
- 5. *San Jacinto River and Tributaries Sediment Removal and Sand Trap Development:*** House Bill 1824, approved by the 86th Texas Legislature, allows SJRA and the Harris County Flood Control District (HCFCD) to remove material from the San Jacinto River and its tributaries to restore, maintain, or expand storm flow capacity without the need for state permitting or a royalty payment to the state. SJRA is leading efforts, with support from City of Houston and HCFCD, to perform a project to plan, design, and construct one or more "sand traps" along the West Fork of the San Jacinto River to reduce future sedimentation accumulation with the goal of reducing the risk of flooding. A major component of the project is coordination with one or more Aggregate Production Operations (APOs) operating along the river in an attempt to establish a public/private partnership which would provide for operation and maintenance of the proposed sand trap(s) by an APO or APOs, and which potentially could result in construction of the trap(s) by an APO or APOs. A conceptual design effort to select the most feasible site(s) for installation of sand trap(s) has been completed, with the next steps anticipated to consist of preliminary and final design (including permitting), and construction. It is anticipated that funding for the project will be provided via a combination of SJRA funds and partner contributions, as well as potentially grant funding. Preliminary design phase efforts are anticipated to begin in FY2024.

***Capital Improvement and Other Project Plans:*** The Flood Management Division does not maintain any physical assets at this time. For FY2024, the Division plans to utilize awarded grant funding and related partner contributions, in addition to some cash expenditures, to perform multiple flood mitigation projects as described in the Division's 10-Year Project Plan. The Division will continue to seek additional funding from various sources for future project phases and/or other projects such as those recommended in the San Jacinto Regional Watershed Master Drainage Plan. The Flood Management Division included the following projects in the FY2024 budget:

<b>Flood Management - Projects</b>	Stage	Est. FY2024 Cost	Funding Source
Spring Creek Watershed Flood Control Dams Feasibility	Plan/Permit	\$ 475,000	Grant/ILA
Upper San Jacinto River Basin Regional Sedimentation Study	Plan/Permit	\$ 260,000	Grant/ILA
Lake Conroe - Lake Houston Joint Reservoir Operations Study	Plan/Permit	\$ 167,000	Grant/ILA
SJ River and Tributaries Sediment Removal & Sand Trap Dev.	Plan/Design	\$ 338,000	O&M/ILA
<b>Total</b>		<b>\$ 1,240,000</b>	

**Total Indebtedness and Annual Debt Service:** The Flood Management Division does not have any indebtedness as of FY2023 and has no plans for future indebtedness in FY2024 or beyond.

**Staffing Plans:** The Flood Management Division’s staffing plan for FY2024 includes two direct FTE positions, with no part-time, temporary, or intern positions. Of these two direct FTE positions, Flood Management allocates one FTE to other divisions, leaving one FTE allocated directly to Flood Management. In addition, the Division is allocated 2.58 FTEs for FY2024 from G&A Departments and 0.10 FTEs from the Lake Conroe Division. The net total FY2024 FTEs associated with the Flood Management Division, direct and allocated, is 3.67 FTEs.

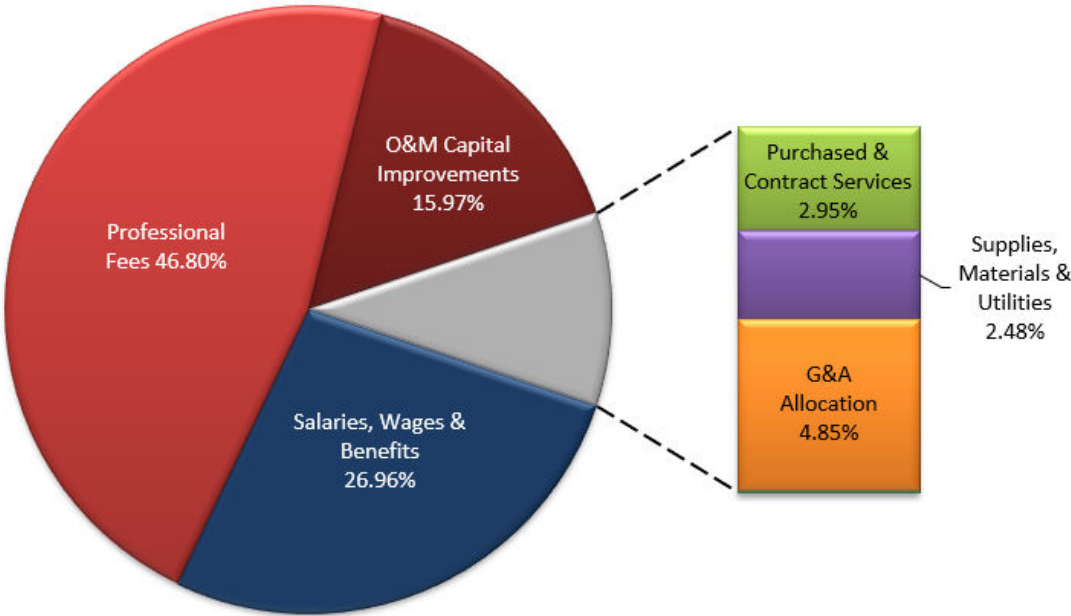
**Revenues:** The Flood Management Division does not generate revenues through its operations. The Raw Water Enterprise funds the Division’s expenses that are not otherwise offset by regional partners or grant funds. The Flood Management Division is tasked with studying and implementing regional flood management solutions and building regional partnerships, including the potential identification of state and federal grants or other project funding sources. The Flood Management budget for FY2024 includes utilizing \$1,071,000 in grant funds and partner contributions to fund the FY2024 projects shown in the Division’s 10-Year Project Plan.

**Expenditures:** In FY2024, Flood Management expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- G&A Allocations
- O&M Capital Improvements

Expected total expenditures for the Authority’s Flood Management Division for FY2024 is \$2,175,415.

**Flood Management FY2024 Total Operating Expenditures:  
Operating & Capital Improvements**



**Fund Balance and Reserves:** The Authority’s General Fund Balance combines to cover the Flood Management Division, as well as the Raw Water Supply, Highlands Division, Lake Conroe Division, and the G&A Division. The Flood Management Division does not maintain any reserves.

For FY2024, the net between O&M revenues and expenditures for the Flood Management Division is (\$1,104,415). This amount will be covered by Raw Water Supply revenues.

**San Jacinto River Authority - Flood Management**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	Budget
	FY2022	Sept-Mar FY2023	Apr 2022- Mar 2023	FY2023	FY2023	FY2024
<b>OPERATING REVENUES</b>						
Capital Contributions	\$ 168,877	\$ 100,480	\$ 254,486	\$ 621,219	\$ 620,000	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 168,877</b>	<b>\$ 100,480</b>	<b>\$ 254,486</b>	<b>\$ 621,219</b>	<b>\$ 620,000</b>	
<b>OTHER REVENUES</b>						
Interest Income	\$ (182)	\$ -	\$ (130)	\$ -	\$ -	
Grant Revenue	204,118	113,932	292,297	679,100	451,000	
Other Gains & Losses	69	-	69	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 204,004</b>	<b>\$ 113,932</b>	<b>\$ 292,235</b>	<b>\$ 679,100</b>	<b>\$ 451,000</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 188,041	\$ 68,499	\$ 152,677	\$ 129,588	\$ 128,341	
Salary & Wage Allocation	205,400	89,059	179,572	285,250	301,087	
Compensated Absences	3,510	-	3,510	-	-	
Group Insurance	76,191	36,184	65,332	73,546	72,438	
Group Retirement Expense	45,900	21,728	40,478	45,632	49,446	
Workers Compensation Insurance	3,830	607	2,295	6,807	3,936	
Social Security Taxes	28,310	10,765	23,326	30,469	31,218	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 551,181</b>	<b>\$ 226,841</b>	<b>\$ 467,190</b>	<b>\$ 571,291</b>	<b>\$ 586,465</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 2,316	\$ 146	\$ 1,310	\$ 35,000	\$ 35,000	
Engineering	342,958	200,959	493,535	1,279,219	977,000	
Graphic Design	4,221	-	2,500	6,000	6,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 349,495</b>	<b>\$ 201,105</b>	<b>\$ 497,344</b>	<b>\$ 1,320,219</b>	<b>\$ 1,018,000</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Employee Testing- New	\$ -	\$ -	\$ -	\$ 70	\$ 50	
Stream Gauging & Water Quality-USGS	-	-	-	-	8,200	
Water Conservation & Public Education	23,581	5,086	20,138	10,000	55,694	
Website Hosting & Maintenance	-	-	-	-	129	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 23,581</b>	<b>\$ 5,086</b>	<b>\$ 20,138</b>	<b>\$ 10,070</b>	<b>\$ 64,073</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 508	\$ 44	\$ 552	\$ 300	\$ 150	
Travel	2,367	385	1,584	1,750	3,300	
Automobile & Truck Expense	-	-	-	250	50	
Postage	33	131	140	500	500	
Liability Insurance	549	475	746	-	-	
Training-External	2,465	390	1,985	1,950	1,600	
Training-Internal	-	-	-	600	-	
Training-Employee HR	1,055	31	629	1,675	1,200	
Managers Expense	378	106	425	1,000	1,000	
Fuel	17	-	17	750	350	
Uniform Services	-	-	-	200	200	
Memberships & Professional Dues	228	50	228	170	200	
Bank Service Charges	2,250	2,250	2,250	2,250	2,250	
Personal Protective Equipment	-	140	140	300	100	
Health & Wellness Program	-	-	-	180	130	
Recruiting Expenses	-	-	-	1,125	1,000	
Computer Hardware	1,445	363	955	400	8,397	
Software & Support	10,764	7,501	12,486	3,250	20,717	
Network Communications	1,201	569	1,079	581	1,432	
Newspaper Ads	1,053	534	1,485	5,500	6,800	
Wireless Devices & Services	-	-	-	2,500	3,500	
Phone System-Install, Maintenance, & Changes	-	-	-	-	383	
Landline Telephone Services	838	633	1,036	-	681	
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 25,149</b>	<b>\$ 13,603</b>	<b>\$ 25,736</b>	<b>\$ 25,231</b>	<b>\$ 53,940</b>	
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 29,334	\$ 20,437	\$ 16,482	\$ 88,738	\$ 105,509	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 29,334</b>	<b>\$ 20,437</b>	<b>\$ 16,482</b>	<b>\$ 88,738</b>	<b>\$ 105,509</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 978,739</b>	<b>\$ 467,071</b>	<b>\$ 1,026,890</b>	<b>\$ 2,015,549</b>	<b>\$ 1,827,986</b>	

**San Jacinto River Authority - Flood Management**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>NET REVENUES OVER EXPENSES</b>	\$ (605,858)	\$ (252,660)	\$ (480,169)	\$ (715,230)	\$ (756,986)
<b>CAPITAL IMPROVEMENTS*</b>					
Property Acquisition				\$ 164,000	\$ 338,000
Software				83	195
Computer Equipment				656	9,234
Radio Communications Equipment				15,000	-
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 179,739</b>	<b>\$ 347,429</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (605,858)</b>	<b>\$ (252,660)</b>	<b>\$ (480,169)</b>	<b>\$ (894,969)</b>	<b>\$ (1,104,415)</b>

\*Actuals intentionally left blank.



**G&A  
Division**



## GENERAL AND ADMINISTRATION DIVISION

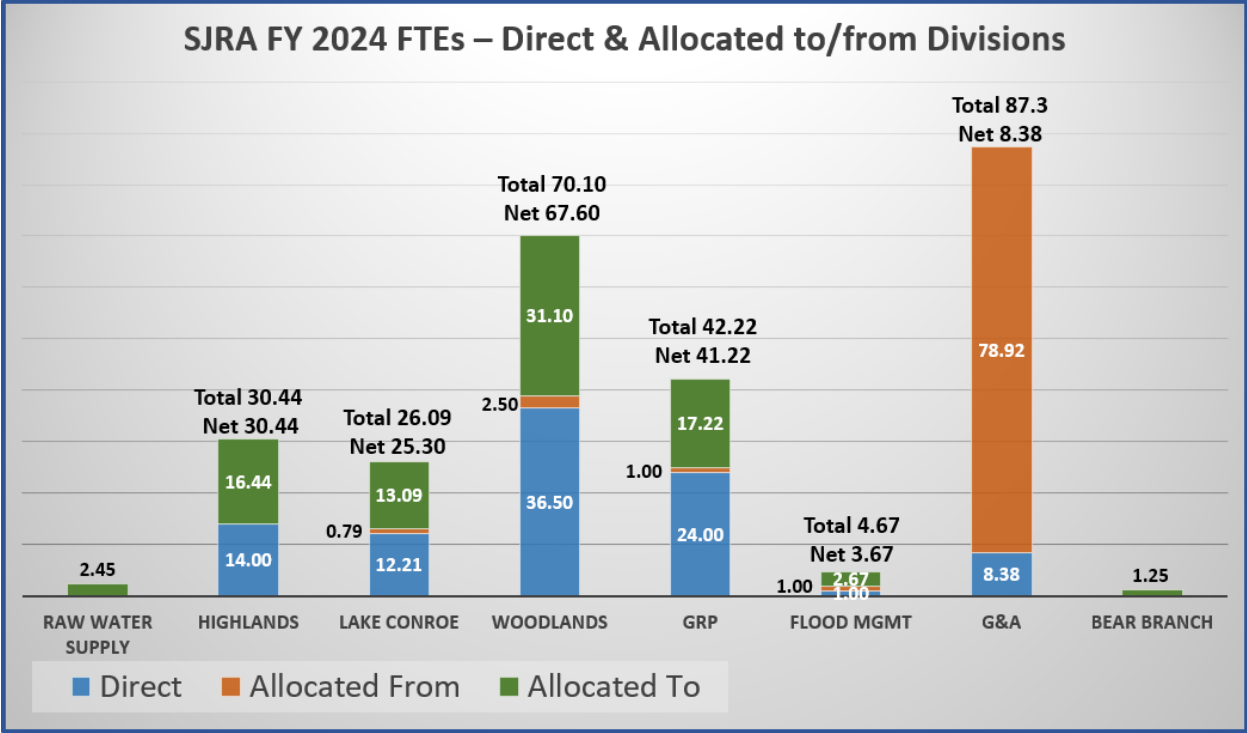
---

The general and administrative functions of the Authority are organized into departments within the General and Administration Division (G&A). The G&A consists of Senior Management and the following departments:

Accounting	Information Technology (IT)	Risk Management
Administrative Services	Public Communications	SCADA/I&C
Human Resources (HR)	Purchasing	Technical Services (TS)

The G&A Departments are largely customer service focused on the operating divisions as internal customers of the services they provide. These departments support the operating divisions with administrative and technical services provided on a daily, monthly, and periodic basis. The Authority's G&A employees are well trained: administratively, technically, and professionally. They cross-train within their departments to provide consistent and resilient services and operate with a team mentality within their departments and across the Authority.

Senior Management and the G&A Departments allocate FTEs to the operating divisions based upon appropriate methodologies for their department activities within the terms of existing customer contracts. Using historical data and projected estimates for the upcoming year, the Administrative Services, Public Communications, and Risk Management Departments follow an approach that estimates, where reasonable, individual employee's projected time worked for each operating division. The Accounting, IT, and Purchasing Departments combine the previous approach with the use of specifically dedicated FTEs to certain operating divisions. The HR Department and some of the IT Department FTEs utilize a proportionate allocation of time worked by their employees based on the percentage of operating divisions' direct and allocated FTEs to the 180.3 total employees of the Authority. The SCADA/I&C Department and Technical Services Department employees work mainly with the operating divisions on the maintenance of certain systems and assist with specific projects, therefore many of those FTEs estimate their allocated time based on specific tasks or the projects planned for FY2024.



**Major Initiatives:** During FY2023 and planned through FY2024, the G&A Departments have undertaken several major initiatives to improve the operations related to the operating divisions.

**Accounting:** In FY2022, the Accounting Department continued assisting each operating division throughout the year with monitoring and reporting of revenues and expenditures, allowing the divisions to manage their operations more efficiently and effectively. During FY2023 this oversight has been instrumental in helping manage costs during ongoing inflation. In addition, Accounting in collaboration with IT, Purchasing, and other stakeholders should finalize implementation of a new Enterprise Resource Planning (ERP) software by the end of FY2024. Accounting is also working with the Raw Water Supply and a third-party consultant to perform a Raw Water Rate Study and with the Woodlands Division to build a rate model and perform a Woodlands Rate Study. Going forward into FY2024, Accounting in collaboration with the GRP Division and a third-party consultant will perform a GRP Rate Study as required by customer contracts to occur every five years.

**Administrative Services:**

The Administrative Services Department responds to the needs of its internal and external customers by providing high quality, supportive, and responsive services. The department supports all divisions and departments in implementing the priorities of Senior Management and the Board of Directors.

In Fiscal Year 2023, the Administrative Services Department assisted in the facilitation of the second Sunset Advisory Commission’s Review and worked with the Senior Management Team to implement the recommended initiatives mandated by the legislature. Staff participated in and assisted with the latest update to the San Jacinto River Authority’s 2019 Strategic Plan. Finally, the department hosted and facilitated the annual River Authorities Administrative Forum.

In Fiscal Year 2024, the Administrative Services Department will begin implementation of a new document management system that will better centralize content, improve collaboration, maintain security and compliance, and allow for long-term document accessibility and preservation. The department will continue to review and refresh the various forms, practices, processes, procedures, and policies to ensure their efficiency and effectiveness.

**HR:** The HR Department continues to improve policies, processes, and systems in FY2023 and will continue to develop and implement improvements in FY2024. The Authority's Human Resource Information System (HRIS) and Payroll System was acquired by another vendor in late FY2023 requiring an implementation and deployment of the new system in early FY2024. HR Staff will be working closely with payroll staff, managers, supervisors, and employees to deploy and train on the new system. The department continues to work closely with managers to implement, update or maintain effective job descriptions, recruiting and on-boarding practices, compensation system, benefit offerings, training and development program, performance management system, and other talent management activities designed to attract and retain employees.

**IT:** The IT Department collaborates with the operating divisions on various projects and coordinates the many Authority-wide computer systems, network infrastructure, and physical security systems authority wide. The Department provides services that are a combination of division specific projects and the development of uniform business processes across the Authority in coordination with the Divisions and other G&A Departments. These initiatives include software project management, enhanced cybersecurity, upgrades of critical infrastructure, data sharing initiatives with customers and other entities for improved information visibility.

**Public Communications:** The Public Communications Department is responsible for proactively communicating SJRA's key strategic priorities, initiatives, core services, and messages to a broad range of audiences including residents within the San Jacinto River Basin, local and state elected officials, community groups, civic organizations, and the general public. Public Communications utilizes a variety of communications methods including the SJRA website, social media platforms, email, press releases, graphic design, blog posts, mail pieces, and interactive web design.

The Department works across all five Divisions of SJRA to help facilitate each Division's needs in communicating to its own customers and constituents via regular newsletters, educational materials, presentations, networking meetings, and press releases. The Department assists the division and project managers, construction team, and engineers on numerous construction projects to ensure the proper line of communication between the Authority, local leaders, and residents. Additionally, the Public Communications Department informs the public and other water entities by participating in various conferences within the water industry. For FY2024, the Public Communications Department will continue to work with the entire Authority to improve internal and external communications/relations by developing key messages and identifying the tools best used to communicate those messages.

**Purchasing:** During FY2023, the Procurement Team continued to work diligently with departments and divisions to obtain best value goods and services that meet the needs of the Authority's projects, as well as those in the future. Several highlights for the Procurement Team in FY2023 were :

- To increase knowledge and educate staff regarding public procurement, the Procurement Team provided Authority-wide training sessions on Ethics and Small Commodity Procurements. The Procurement Team looks to continue offering training sessions into FY2024.
- In April of FY2023, the Procurement Team welcomed the opportunity to join the Technical Services Department in presenting to over 225 construction firms, engineering firms, consultants, etc. regarding the Authority's upcoming infrastructure projects for the next 10 years. The Procurement Team was able to further educate the attendees on the Authority's procurement processes as well as connect with local Historically Underutilized Businesses (HUB) and Disadvantaged Business Enterprises (DBE).
- To drive procurement efficiency, the Procurement Team revised contract and solicitation templates to capture legislative changes to further align with Federal and State Procurement Laws as well as create ease of use for Authority end-users and the vendor community.
- In March of 2023, the solicitation process was completed, and a contract was executed for the Authority's new Enterprise Resource Planning (ERP) system. Upon execution, the Procurement Team, along with other departments, has continued to dedicate time and efforts to the project implementation to assure the system is highly efficient and successful for years to come.

The Procurement Team will continue to collaborate with the departments and divisions to educate, assist and procure the goods and services needed by the Authority for the projects of today and the future.

**Risk Management:** The Risk Management Department (RMD) protects SJRA's assets by supporting the Authority's mission through the management of contracts and insurance, emergency management planning, loss prevention planning and worker's compensation management. The RMD designs and implements programs and strategies to identify and mitigate and potential loss to SJRA's resources, including but not limited to risks involving asset infrastructure, human capital (employees), organizational reputation and operations. The RMD will continue working to implement a comprehensive Enterprise Risk Management approach to risk identification and mitigation

**SCADA/I&C:** The major initiatives for the SCADA/I&C (SCADA) Department are focusing on cybersecurity for all the operating divisions. This includes looking into other options for connecting remote sites into the SCADA networks. An initiative spearheaded by the Utility Enterprise involves a complete review of the automation for them. As the information is obtained from this initiative, any insights gathered from it will be measured and blended into the Raw Water Enterprise. This will allow for the continued focus on improving the standardization within the SCADA systems between all the divisions. Another focus for the SCADA/I&C Department is on cross training staff to improve our ability to respond to call out situations. The SCADA Department also is closely involved with the collaborative projects with SJRA operating divisions, including integrating sites in the Highlands and the Woodlands Divisions into their respective SCADA systems along with ensuring reliable operations for all the divisions during emergency operations. .

**Technical Services:** The Technical Services Department (TSD) supports each of the operating divisions with planning, asset management, project management for both maintenance and capital projects, construction management and inspection, GIS, operations support, and emergency assistance. The budget for TSD considers the number of upcoming projects, planned in-house design/construction

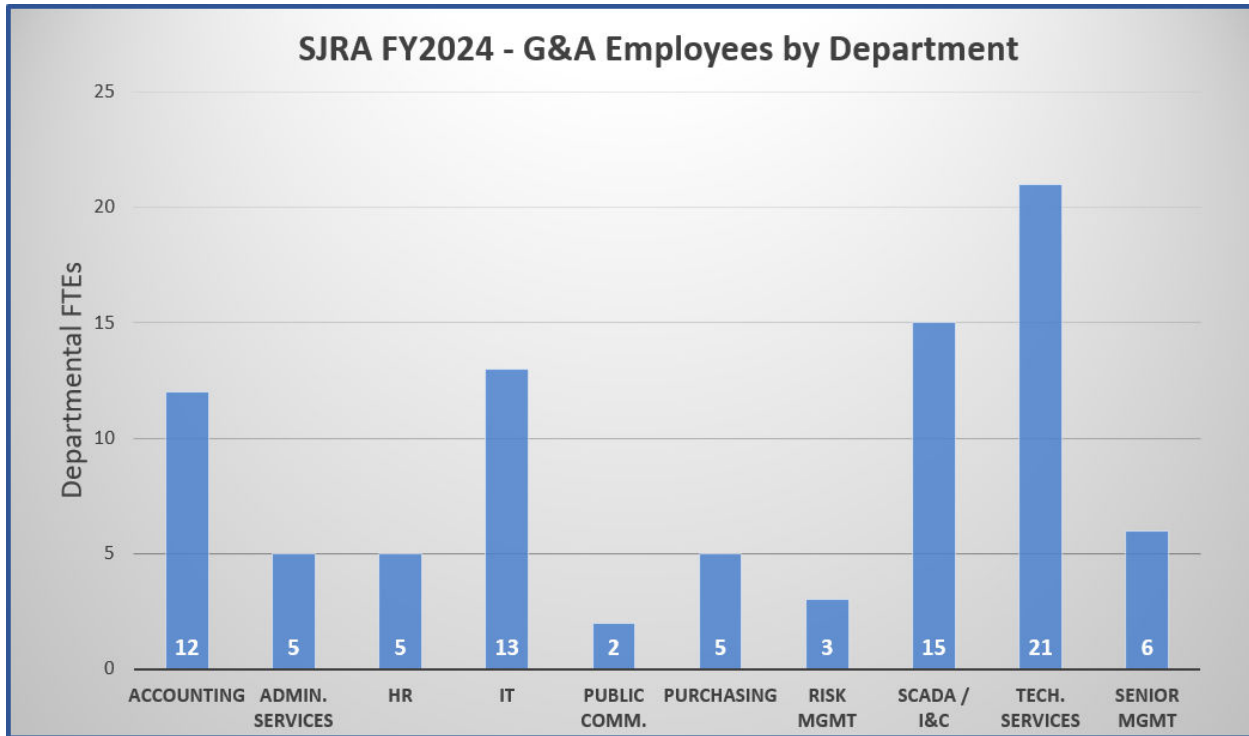
management/inspection, and other support typically needed by the operating divisions. Over the past year, TSD has worked closely with the operating divisions to refine the 10-year Project Plan. As noted previously, the Utility Enterprise is expecting a long-term increase in required project delivery with the Wastewater Strategic Plan results generating multiple large scale, multi-year projects and the need to invest in water line replacements throughout The Woodlands system over the next ten to twenty years. The Highlands Division is also continuing to invest in projects to replace aging siphons and increasing capacity for the Industrial Customers and TSD is focusing on designing more of these projects in-house as an opportunity to develop skills and increase efficiency for project delivery by our staff. These increases in upcoming project workload result in TSD anticipating the addition of one new Project Manager, two new Graduate Engineers, and one new Construction Inspector for FY 2024. In addition to new staff, TSD is also planning for staff augmentation for both engineering and construction management to assist with increases in project workload that is not anticipated to be sustained beyond a few years. TSD has done significant outreach to the consultant and contracting community to make sure there are many qualified firms to design and competitive contractors to construct the needed projects that TSD cannot cover internally. As the programs in the UE and Highlands divisions continue to develop, TSD is committed to evaluating staffing needs versus staff augmentation to deliver the best results for our customers.

**Capital Improvement and Other Projects Plan:** Each year the G&A Division conducts risk assessments and evaluations of their limited infrastructure. G&A reviews the likelihood and consequences of failure of each asset and then prioritizes projects based on a variety of factors related to reliable, cost-effective service. The projects included within G&A’s Project Plan for FY2024 are anticipated to be funded from R&R funds as highlighted below:

<b>General &amp; Administration - Projects</b>	<b>Stage</b>	<b>Est. FY2024 Cost</b>	<b>Funding Source</b>
G&A Building HVAC System Replacement	Construction	\$ 1,142,000	R&R
Enterprise Resource Planning System	Design	\$ 1,099,000	R&R
<b>Total</b>		<b>\$ 2,241,000</b>	

**Total Indebtedness and Annual Debt Service:** The G&A Division does not have any indebtedness as of FY2023 and has no plans for future indebtedness in FY2024 or beyond.

**Staffing Plans:** The G&A Division’s staffing plan for FY2024 includes 87.30 direct FTE positions. There is 0.30 FTEs budgeted in FY2024 for an intern position; however, there are no FTEs budgeted that are considered part-time or temporary positions. Of the 87.30 direct G&A Division FTEs, 78.92FTEs are allocated to the various operating divisions. The remaining 8.38 G&A Division FTEs, 9.6%, remain unallocated to the operating divisions.

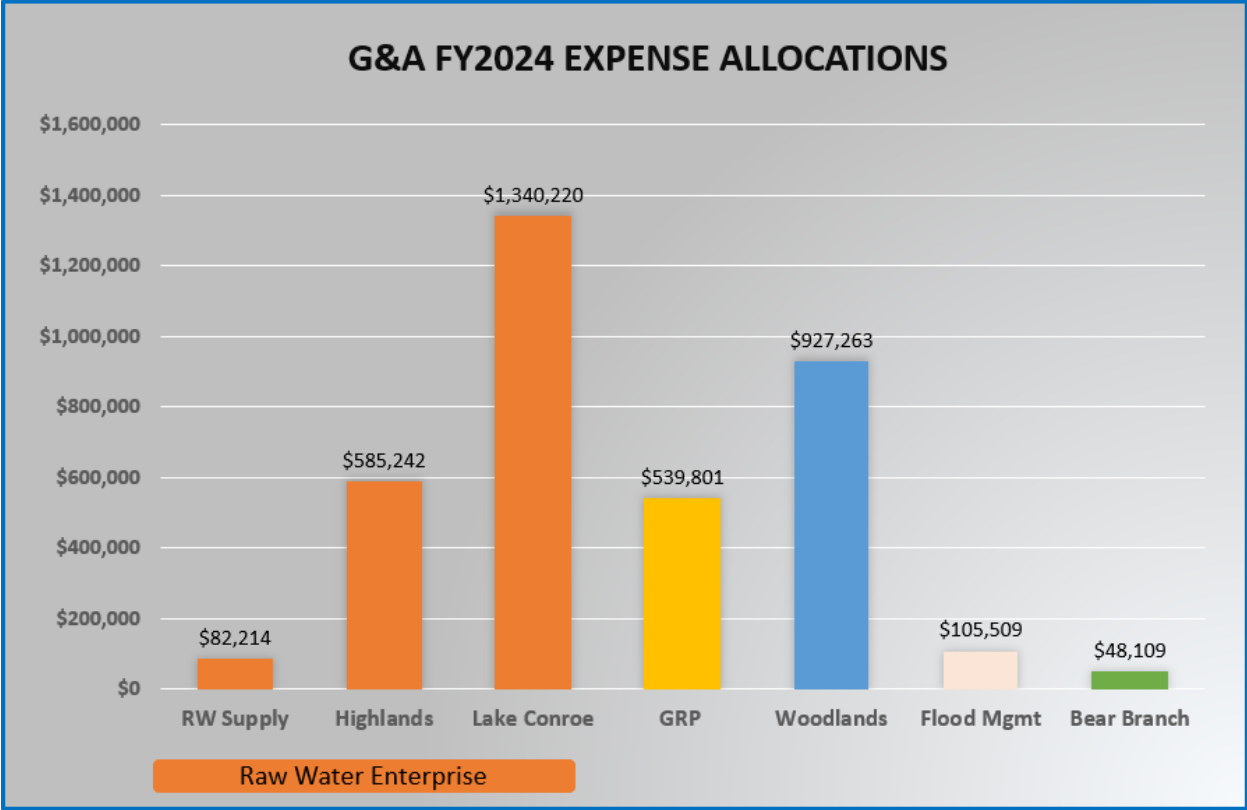


**Revenues:** The G&A Division has no significant revenues forecast for FY2024 with no Operating Income and only \$73,206 of Non-Operating Income from interest income and office rental.

**Expenditures:** The G&A Division for FY2024 contains regular and customary expenses related to the on-going administrative and technical support to the Authority’s operating divisions. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- Debt Service (principal and interest)
- O&M Capital Improvements
- Reserve Contributions (if needed)
- R&R Fund Contributions

G&A Division expenses are allocated to the operating divisions and Bear Branch based on terms stipulated in contracts (Woodlands and Lake Conroe) or by a formula related to a ratio of the division’s expenses as compared to the Authority’s total expenses (Raw Water Supply, Highlands, GRP, Flood Management, and Bear Branch). For FY2024, G&A expense allocations to the operating divisions, Flood Management, and Bear Branch total \$3,628,357. Expected total expenditures, after allocations to the operating divisions, and Bear Branch, for FY2024, including operating, debt service, capital improvements, and other cash uses, totals \$631,841. G&A has \$2,241,000 in expected R&R Fund operating expenses and capital improvements for FY2024.



**Fund Balance and Reserves:** The Authority’s General Fund Balance combines to cover the Raw Water Enterprise, which is made up of the Raw Water Supply, Highlands Division, and Lake Conroe Division, as well as the G&A Division and to cover the Flood Management Division.

As approved by the Board of Directors on March 24, 2022, the reserve policy for the G&A Division utilizes two reserves and an R&R Fund:

1. **Operating & Rate Stabilization Reserve:** The G&A Operating & Rate Stabilization Reserve (Operating Reserve) was established to manage cash flow, and stabilize rates and revenues. The Operating Reserve target for FY2024 for the G&A Division is set to be an amount equal to six months of operating expenditures. Currently G&A has met the six-month operating reserve. For FY2023, the G&A Operating Reserve is at \$1,624,961, equivalent to six months of operating expenses. For FY2024, the Operating Reserve is projected to be under the targeted balance and a contribution of \$169,304 of additional funds are budgeted to bring the balance back up to the target.
  
2. **Emergency Reserve:** The G&A Emergency Reserve was established to provide for a full or partial source of funds for unplanned or emergency repair or replacement of Authority capital assets, excluding the Woodlands and GRP Divisions. The Emergency Reserve target fund balance for the General Fund was established to be a total of \$6,000,000, which is based on estimate amounts of \$2,500,000 for Lake Conroe, \$3,000,000 for the Highlands, and \$500,000 for the G&A Division.

For FY2023, the G&A Emergency Reserve is fully funded and no funds were budgeted for the Emergency Reserve in FY2024.

- 3. Repair & Replacement (R&R Fund):** The G&A Repair & Replacement Fund was established to fund large ongoing and planned projects to prevent significant rate fluctuations, funded annually through pre-determined transfer of funds from the remaining funds available from the O&M budget after the Operating & Rate Stabilization Reserve and Emergency Reserve requirements are met. A contribution of \$103,000 to the R&R Fund was budgeted for FY2024.

For FY2024, the net between O&M revenues and expenditures for the G&A Division, including annual debt service and scheduled contributions to any of the two reserves or R&R fund, is (\$405,772). This amount will be net with the Raw Water Supply revenues to offset the Raw Water Enterprise and Flood Management Division net cash uses.



**San Jacinto River Authority - General and Administration**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2024	
<b>OTHER REVENUES</b>						
Interest Income	\$ 23,476	\$ 94,791	\$ 116,145	\$ 3,600	\$ 48,000	
Office Rental Revenue	25,206	14,704	25,206	25,206	25,206	
FEMA Grant Revenue	66	-	11	-	-	
Proceeds From Sale Of Assets	30,000	-	30,000	-	-	
Other Gains & Losses	5,177	875	6,051	-	-	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 83,925</b>	<b>\$ 110,369</b>	<b>\$ 177,413</b>	<b>\$ 28,806</b>	<b>\$ 73,206</b>	
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salaries & Wages	\$ 736,871	\$ 388,371	\$ 733,861	\$ 743,233	\$ 732,782	
Salary & Wage Allocation	-	-	-	8,433	-	
Compensated Absences	72,522	-	72,522	-	-	
Group Insurance	95,426	80,339	138,243	140,548	141,616	
Group Insurance - Retirees	6,096	3,641	6,194	6,678	6,960	
Group Insurance - Retiree OPEB	(31,740)	-	(31,740)	50,000	50,000	
Group Retirement Expense	(1,285,171)	51,858	(1,281,444)	82,683	84,184	
Workers Compensation Insurance	3,076	1,064	2,462	5,406	2,830	
Social Security Taxes	60,293	30,490	59,146	55,803	54,429	
Tuition Reimbursement	7,481	4,959	10,358	30,000	30,000	
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ (335,146)</b>	<b>\$ 560,722</b>	<b>\$ (290,398)</b>	<b>\$ 1,122,784</b>	<b>\$ 1,102,800</b>	
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 189,428	\$ 59,040	\$ 178,368	\$ 180,000	\$ 200,000	
Lobbyist	144,040	78,678	129,619	134,000	150,000	
Annual Financial Audit	35	35	35	-	-	
Management Audit	-	63,237	63,237	-	-	
Engineering	41,666	-	13,366	50,000	50,000	
Crane Inspections	-	-	-	2,000	2,000	
Other Professional Services	-	-	-	68,000	68,000	
Safety Inspections & Testing	1,816	-	1,000	1,400	1,800	
Public Relations Consultant	8,500	-	-	100,000	150,000	
Graphic Design	3,360	-	-	3,000	3,000	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 388,844</b>	<b>\$ 200,990</b>	<b>\$ 385,625</b>	<b>\$ 538,400</b>	<b>\$ 624,800</b>	
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Waste Disposal Services	\$ 5,425	\$ 5,016	\$ 7,830	\$ 7,500	\$ 9,000	
Meter Calibration Services	13,371	9,313	16,342	10,900	16,000	
Employee Testing- New	1,280	738	738	3,150	3,150	
Janitorial Services	25,513	13,738	25,513	48,000	24,000	
Water Conservation & Public Education	151,317	40,385	134,505	63,000	29,504	
Website Hosting & Maintenance	4,550	5,578	6,508	5,250	294	
Directors Fees & Expenses	16,950	9,150	16,950	24,000	24,000	
Meeting Expenses	3,715	982	2,609	12,000	12,000	
Directors' Travel Expenses	4,788	3,062	4,667	8,500	8,500	
Document Retention/Destruction	1,606	3,269	3,269	5,000	155,000	
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 228,516</b>	<b>\$ 91,230</b>	<b>\$ 218,931</b>	<b>\$ 187,300</b>	<b>\$ 281,448</b>	
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Office Supplies & Printing	\$ 20,505	\$ 12,332	\$ 25,333	\$ 22,260	\$ 23,600	
Travel	59,082	19,131	49,802	83,000	95,000	
Automobile & Truck Expense	48,105	34,496	60,020	51,360	67,100	
Storm Preparedness & Response	-	-	-	1,200	1,200	
Postage	3,223	1,532	2,207	3,600	3,600	
Property Insurance	17,641	11,924	19,734	19,584	29,000	
Auto Insurance	31,532	15,890	30,350	39,336	33,520	
Liability Insurance	2,439	965	2,282	3,300	3,300	
Training-External	67,890	18,952	52,052	112,100	147,400	
Training-Internal	4,798	3,604	6,640	26,800	-	
Training-Employee HR	2,823	7,195	9,071	3,550	3,600	
Managers Expense	68,276	32,361	61,451	52,400	80,400	
Employee Relations	57,679	22,302	46,916	50,000	50,000	
Fuel	12,945	8,394	16,539	26,790	60,390	
Uniform Services	4,387	2,295	5,754	6,900	9,800	
Operations Supplies	713	396	1,029	1,500	1,500	

**San Jacinto River Authority - General and Administration**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals		Budget FY2023	Budget FY2024
			Apr 2022- Mar 2023			
Memberships & Professional Dues	56,865	31,455	55,964		71,295	73,100
Janitorial Supplies	5,988	2,693	6,263		9,000	9,000
Copier, Scanner & Fax	894	-	-		5,000	5,000
Delivery & Freight	3,113	5,537	7,028		1,000	1,000
Utilities-Electric	54,391	32,917	62,286		47,250	63,000
Utilities-Natural Gas	661	293	686		1,050	1,000
Bank Service Charges	15	35	50		-	-
Bank Account Analysis Fee	(35)	811	811		1,200	1,200
Personal Protective Equipment	3,442	3,250	5,163		12,885	14,900
Safety Equipment & Meetings	6,494	2,064	7,496		3,200	6,250
Health & Wellness Program	3,325	150	150		380	400
Recruiting Expenses	61,432	18,840	41,373		2,375	3,700
Computer Hardware	44,336	38,806	71,561		130,593	180,070
Software & Support	101,097	35,588	84,130		261,492	186,079
Software Maintenance	2,968	2,921	4,381		5,000	4,500
Physical Security	2,223	953	953		11,288	9,000
Network Communications	2,003	2,292	3,158		24,387	9,262
Publications & Subscriptions	27,234	20,345	33,104		20,050	24,800
Newspaper Ads	-	-	-		1,000	1,000
Wireless Devices & Services	64,595	34,813	65,689		99,480	158,400
Phone System-Install, Maintenance, & Changes	-	10,816	10,816		-	11,851
Emergency Operations Communications	4,775	1,914	4,174		5,922	3,300
Landline Telephone Services	4,787	3,069	5,316		2,710	5,331
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 852,639</b>	<b>\$ 441,330</b>	<b>\$ 859,731</b>		<b>\$ 1,220,237</b>	<b>\$ 1,381,553</b>
<b>RENTALS</b>						
Equipment Rentals	\$ -	\$ -	\$ -		\$ 2,000	\$ -
Office Rent	4,500	3,150	4,500		5,400	31,128
Office Equipment Rentals	3,945	1,274	2,825		15,000	15,000
<b>TOTAL RENTALS</b>	<b>\$ 8,445</b>	<b>\$ 4,424</b>	<b>\$ 7,325</b>		<b>\$ 22,400</b>	<b>\$ 46,128</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Office, Furniture, & Fixtures	\$ 2,735	\$ 3,499	\$ 6,224		\$ 9,300	\$ 9,300
Buildings & Grounds Maintenance	85,585	56,582	98,640		127,000	127,000
Security System Monitoring	2,344	-	355		2,000	2,000
Machinery, Tools, & Implements	14,543	4,691	13,962		15,500	13,500
Instrumentation Equipment & Parts	181	3,708	3,708		5,000	-
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 105,388</b>	<b>\$ 68,479</b>	<b>\$ 122,889</b>		<b>\$ 158,800</b>	<b>\$ 151,800</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ (76,641)	\$ (51,246)	\$ (83,179)		\$ (87,850)	\$ (88,840)
General & Administrative Expense Allocated to Lake Conroe	(1,167,185)	(445,064)	(1,016,837)		(1,331,614)	(1,340,220)
General & Administrative Expense Allocated to Bear Branch	(40,466)	(18,144)	(48,453)		(35,444)	(48,109)
General & Administrative Expense Allocated to Highlands	(124,392)	(233,243)	(183,119)		(507,569)	(585,242)
General & Administrative Expense Allocated to Raw Water	(18,308)	(22,647)	(18,735)		(76,473)	(82,214)
General & Administrative Expense Allocated to Woodlands	(687,428)	(370,028)	(678,256)		(815,229)	(838,423)
General & Administrative Expense Allocated to GRP Division	(144,276)	(206,993)	(140,922)		(493,362)	(539,801)
General & Administrative Expense Allocated to Flood Management	(29,334)	(20,437)	(16,482)		(88,738)	(105,509)
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ (2,288,029)</b>	<b>\$ (1,367,802)</b>	<b>\$ (2,185,984)</b>		<b>\$ (3,436,278)</b>	<b>\$ (3,628,357)</b>
<b>TOTAL EXPENSES</b>	<b>\$ (1,039,343)</b>	<b>\$ (627)</b>	<b>\$ (881,881)</b>		<b>\$ (186,357)</b>	<b>\$ (39,828)</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 1,123,267</b>	<b>\$ 110,996</b>	<b>\$ 1,059,294</b>		<b>\$ 215,163</b>	<b>\$ 113,035</b>
<b>CAPITAL IMPROVEMENTS*</b>						
Office Buildings					\$ 30,000	\$ -
Transportation Equipment					-	225,000
Software					3,488	445
Computer Equipment					27,561	21,058
<b>TOTAL CAPITAL IMPROVEMENTS</b>					<b>\$ 61,049</b>	<b>\$ 246,503</b>

**San Jacinto River Authority - General and Administration**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

<b>Description</b>	<b>Actuals FY2022</b>	<b>Actuals Sept-Mar FY2023</b>	<b>Rolling 12 Mo. Actuals Apr 2022- Mar 2023</b>	<b>Budget FY2023</b>	<b>Budget FY2024</b>
<b>OTHER SOURCES (USES)*</b>					
Operating Reserve Fund				\$ (47,669)	\$ (169,304)
Repair and Replacement Transfers				(100,000)	(103,000)
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ (147,669)</b>	<b>\$ (272,304)</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 1,123,267</b>	<b>\$ 110,996</b>	<b>\$ 1,059,294</b>	<b>\$ 6,446</b>	<b>\$ (405,772)</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority - General and Administration Repair and Replacement**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OTHER REVENUES</b>					
Interest Income	\$ 10,675	\$ 60,040	\$ 70,047	\$ -	\$ 24,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 10,675</b>	<b>\$ 60,040</b>	<b>\$ 70,047</b>	<b>\$ -</b>	<b>\$ 24,000</b>
<b>OPERATING EXPENSES</b>					
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>					
Buildings & Grounds Maintenance	\$ 39,523	\$ -	\$ 39,523	\$ -	\$ -
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 39,523</b>	<b>\$ -</b>	<b>\$ 39,523</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENSES</b>	<b>\$ 39,523</b>	<b>\$ -</b>	<b>\$ 39,523</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (28,848)</b>	<b>\$ 60,040</b>	<b>\$ 30,524</b>	<b>\$ -</b>	<b>\$ 24,000</b>
<b>CAPITAL IMPROVEMENTS*</b>					
Capital Improvements				\$ 1,612,000	\$ 2,241,000
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 1,612,000</b>	<b>\$ 2,241,000</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 1,848,691	\$ 2,148,504
Repair and Replacement Transfers				100,000	103,000
Due From (To) Other Divisions				1,500,000	-
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 3,448,691</b>	<b>\$ 2,251,504</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (28,848)</b>	<b>\$ 60,040</b>	<b>\$ 30,524</b>	<b>\$ 1,836,691</b>	<b>\$ 34,504</b>

\*Actuals intentionally left blank.

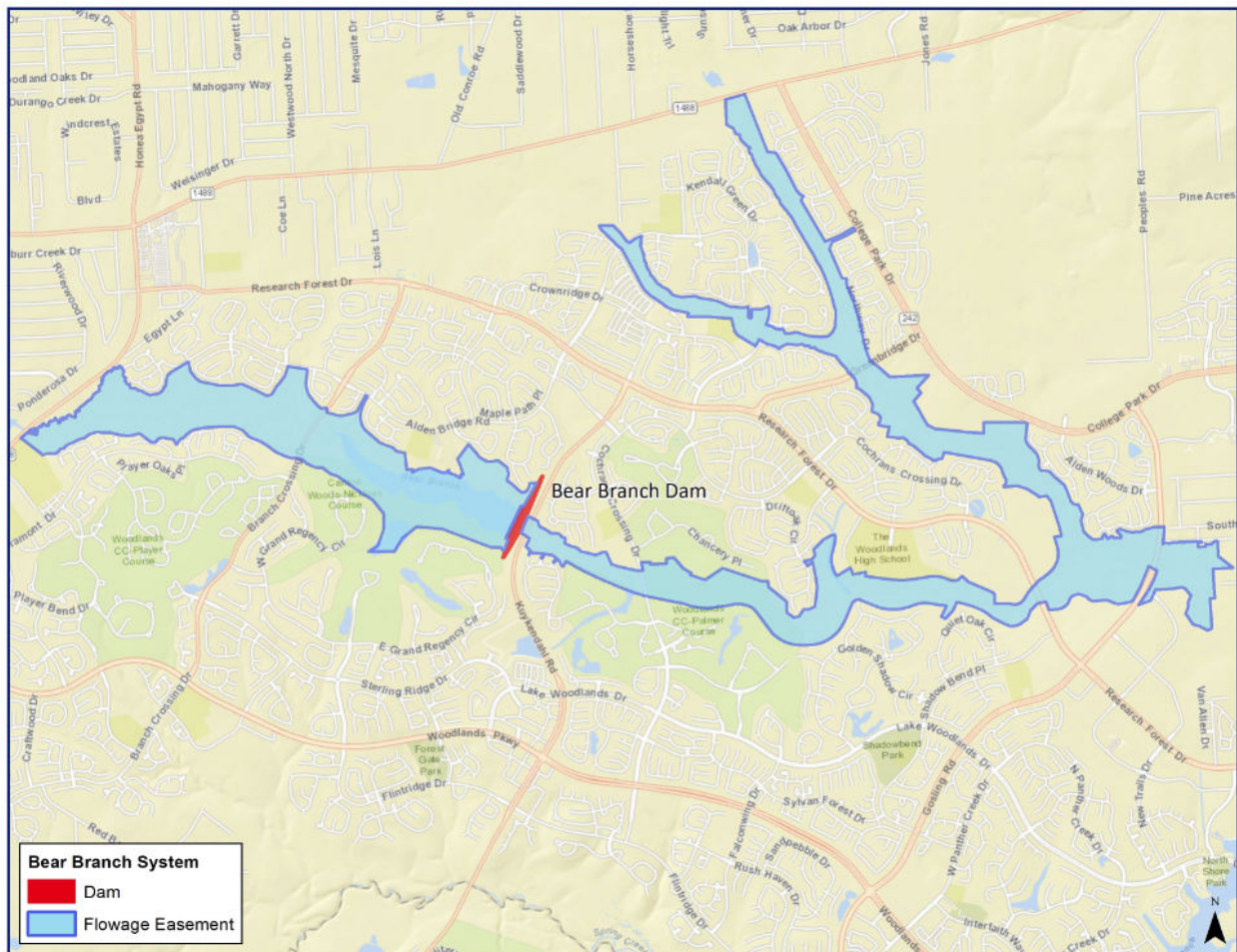


# Bear Branch

## BEAR BRANCH

The Authority has contracted with five Woodlands MUDs to operate and maintain the Bear Branch Reservoir and drainage system (Bear Branch) for stormwater management. The Lake Conroe Division provides the O&M services for Bear Branch. The participating MUDs make annual contributions to cover the budgeted O&M expenses and any capital improvements based on a prorated share.

### MAP OF BEAR BRANCH RESERVOIR AND STORMWATER DRAINAGE SYSTEM



**Major Initiatives:** During FY2022 and planned for FY2023, the Bear Branch Division has either completed or started, or will complete major initiatives to improve the operations related to the Division.

- 1. Soil Cement:** A 2014 engineering investigation of the soil cement on the upstream face of the Bear Branch dam spillway concluded that the soil cement was degrading and would require future restoration/replacement. The results of the FY2021 Engineering Inspection of the dam also identified the soil cement as needing repair in the next five years. Consequently, the current budget for FY2024 includes approximately \$361,000 to address the failing soil cement.

2. **Spillway Voids:** In FY2020, while conducting a routine inspection of the Bear Branch Dam, Division personnel discovered a void in the concrete of the service spillway. Under the advice of the Division’s dam-safety engineer, staff made temporary repairs to prevent enlargement of the void. Subsequent field investigation by the engineer resulted in the recommendation to have a topographic and ground penetrating radar (GPR) survey performed at the spillway. Both surveys were conducted in FY2021. However, results from the GPR were inconclusive and suspect necessitating further investigation. The FY2022 budget included \$250,000 to have a consulting engineer oversee additional non-destructive and destructive testing at the spillway, interpret the results, and recommend the appropriate course of action. These efforts resulted in the identification of needed concrete repairs at the spillway and the design of those repairs. SJRA is currently beginning construction for the repairs using the remaining budget. It is anticipated that these minor concrete repairs will extend the life of the spillway until funding is secured for replacement of the soil cement and service spillway in FY2025.
  
3. **Project Funding:** It is estimated that the combined project costs to repair the soil cement and spillway voids could be as much as \$5,050,000. Consequently, staff will recommend that the five Woodlands MUDs who support the operation and maintenance of the Bear Branch Reservoir System begin reserving the funds that will be required to make these necessary repairs. SJRA is currently seeking \$3,600,000 in federal funding to reduce the funds that are required by the MUDs. The remaining \$1,450,000 required would need to be funded in accordance with the percent allocations currently used to fund the routine operation and maintenance of the system.

**Capital Improvements and Other Projects Plan:** Each year the Division conducts evaluations of their limited infrastructure and prioritizes projects based on a variety of factors to ensure safe and efficient operations of the dam and Woodlands stormwater drainage system. The projects included within Bear Branch’s Project Plan for FY2024 is highlighted below:

Bear Branch - Projects	Stage	Est. FY2024 Cost	Funding Source
Bear Branch Soil Cement Repairs	Plan/Design	\$ 361,000	O&M
Bear Branch Service Spillway Replacement	Plan/Design	\$ 486,000	O&M
Bear Branch Emergency Action Plan	Plan/Permit	\$ 32,000	O&M
Bear Branch Dam Inspection	Plan/Permit	\$ 11,000	O&M
Bear Branch Drainage System Improvements (PM)	Design	\$ 26,000	O&M
Total		\$ 916,000	

**Total Indebtedness and Annual Debt Service:** The Bear Branch system does not have any indebtedness as of FY2023 and no immediate plans for future indebtedness in FY2024. However, beyond FY2024 there may be a need to issue debt to fund the needed repairs at Bear Branch.

**Staffing Plan:** For FY2024, the Lake Conroe Division projects 0.41 FTEs, the Flood Management Division projects 0.15 FTEs, and the G&A Departments project 0.69 FTEs to Bear Branch for a total of 1.25 FTEs.

**Revenues:** For FY2024 revenues generated from the combined contributions from the five participating MUDs is \$901,963 in addition to \$6,000 in interest income for total revenues of \$907,963. Additionally, Bear Branch also plans to use \$468,235 of its remaining cash balances from FY2023.

**Expenses:** Expenses for FY2024 for Bear Branch contain regular and customary expenses related to the on-going operation and maintenance of the Bear Branch reservoir and drainage system. Such expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- G&A Allocations
- O&M Capital Improvements
- Reserve Contributions (when budgeted)

Expected operating expenditures for the Bear Branch System for FY2024 total \$1,376,198.

**Fund Balance and Reserves:** The five participating MUDs fund the Bear Branch Division operations and maintenance activities in their entirety.

**Operating Reserve:** The Operating Reserve is being established for cash flow management. The Operating Reserve target for the Bear Branch Division is being set to an amount equal to two months of operating expenditures. For FY2023, the Bear Branch budget includes \$90,000 in contributions to establish the Operating Reserve. No additional transfers are budgeted for FY2024.

For FY2024, the net between revenues and expenditures for Bear Branch is \$0.



**San Jacinto River Authority - Bear Branch**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals		Rolling 12 Mo. Actuals		Budget	
	FY2022	Sept-Mar FY2023	Apr 2022-Mar 2023	FY2023	FY2023	Budget FY2024
<b>OPERATING REVENUES</b>						
Capital Contributions	\$ 483,769	\$ 703,558	\$ 703,558	\$ 703,558	\$ 901,963	\$ 901,963
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 483,769</b>	<b>\$ 703,558</b>	<b>\$ 703,558</b>	<b>\$ 703,558</b>	<b>\$ 901,963</b>	<b>\$ 901,963</b>
<b>OTHER REVENUES</b>						
Interest Income	\$ 1,616	\$ 11,730	\$ 13,206	\$ 120	\$ 6,000	\$ 6,000
Other Gains & Losses	16	-	16	-	-	-
<b>TOTAL OTHER REVENUES</b>	<b>\$ 1,632</b>	<b>\$ 11,730</b>	<b>\$ 13,222</b>	<b>\$ 120</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>
<b>OPERATING EXPENSES</b>						
<b>SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>						
Salary & Wage Allocation	\$ 66,921	\$ 53,751	\$ 93,627	\$ 108,860	\$ 131,388	\$ 131,388
Staffing Services	-	10,590	10,590	-	-	-
Group Insurance	14,564	11,321	18,960	16,811	25,056	25,056
Group Retirement Expense	6,627	6,922	10,009	11,975	15,187	15,187
Workers Compensation Insurance	1,076	659	1,362	1,848	2,178	2,178
Social Security Taxes	4,882	3,721	6,600	7,946	9,733	9,733
<b>TOTAL SALARIES, WAGES, &amp; EMPLOYEE BENEFITS</b>	<b>\$ 94,070</b>	<b>\$ 86,964</b>	<b>\$ 141,149</b>	<b>\$ 147,441</b>	<b>\$ 183,544</b>	<b>\$ 183,544</b>
<b>PROFESSIONAL FEES</b>						
Legal Fees	\$ 8,579	\$ 2,146	\$ 9,785	\$ 5,000	\$ 5,000	\$ 5,000
Engineering	50,318	-	-	10,000	53,000	53,000
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 58,896</b>	<b>\$ 2,146</b>	<b>\$ 9,785</b>	<b>\$ 15,000</b>	<b>\$ 58,000</b>	<b>\$ 58,000</b>
<b>PURCHASED &amp; CONTRACTED SERVICES</b>						
Stream Gauging & Water Quality-USGS	\$ -	\$ -	\$ -	\$ -	\$ 26,000	\$ 26,000
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,000</b>	<b>\$ 26,000</b>
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>						
Operating Supplies & Expenses	\$ 496	\$ 420	\$ 858	\$ 250	\$ 250	\$ 250
Office Supplies & Printing	-	-	-	250	250	250
Postage	-	-	-	50	50	50
Liability Insurance	2,090	1,309	2,427	4,752	4,752	4,752
Managers Expense	-	-	-	250	250	250
Fuel	159	-	-	800	800	800
Signage	-	-	-	1,000	1,000	1,000
Newspaper Ads	1,232	-	1,232	550	2,600	2,600
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ 3,977</b>	<b>\$ 1,729</b>	<b>\$ 4,516</b>	<b>\$ 7,902</b>	<b>\$ 9,952</b>	<b>\$ 9,952</b>
<b>RENTALS</b>						
Equipment Rentals	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000
<b>TOTAL RENTALS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>
<b>MAINTENANCE, REPAIRS &amp; PARTS</b>						
Mowing	\$ 81,623	\$ 27,447	\$ 82,342	\$ 113,093	\$ 113,093	\$ 113,093
Channel Desilting & Desnagging	270	-	-	20,000	20,000	20,000
Canals, Levees, & Dams-Maintenance & Repairs	133,470	50,918	182,750	15,000	20,000	20,000
Clearing	11,900	9,961	16,011	8,000	20,000	20,000
Invasive Species Management	-	-	-	20,000	20,000	20,000
Gates & Fencing Repairs	5,390	2,273	4,123	5,000	7,500	7,500
<b>TOTAL MAINTENANCE, REPAIRS &amp; PARTS</b>	<b>\$ 232,653</b>	<b>\$ 90,599</b>	<b>\$ 285,226</b>	<b>\$ 181,093</b>	<b>\$ 200,593</b>	<b>\$ 200,593</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
General & Administrative Expense Allocated	\$ 40,466	\$ 18,144	\$ 48,453	\$ 35,444	\$ 48,109	\$ 48,109
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>\$ 40,466</b>	<b>\$ 18,144</b>	<b>\$ 48,453</b>	<b>\$ 35,444</b>	<b>\$ 48,109</b>	<b>\$ 48,109</b>
<b>TOTAL EXPENSES</b>	<b>\$ 430,061</b>	<b>\$ 199,582</b>	<b>\$ 489,129</b>	<b>\$ 389,880</b>	<b>\$ 529,198</b>	<b>\$ 529,198</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ 55,340</b>	<b>\$ 515,706</b>	<b>\$ 227,650</b>	<b>\$ 313,798</b>	<b>\$ 378,765</b>	<b>\$ 378,765</b>
<b>CAPITAL IMPROVEMENTS*</b>						
Dam Rehabilitation				\$ 325,000	\$ 847,000	\$ 847,000
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 325,000</b>	<b>\$ 847,000</b>	<b>\$ 847,000</b>
<b>OTHER SOURCES (USES)*</b>						

**San Jacinto River Authority - Bear Branch**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

<b>Description</b>	<b>Actuals FY2022</b>	<b>Actuals Sept-Mar FY2023</b>	<b>Rolling 12 Mo. Actuals Apr 2022- Mar 2023</b>	<b>Budget</b>	
				<b>FY2023</b>	<b>FY2024</b>
Cash Sources (Uses)				\$ 101,202	\$ 468,235
Operating Reserve Fund				(90,000)	-
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 11,202</b>	<b>\$ 468,235</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ 55,340</b>	<b>\$ 515,706</b>	<b>\$ 227,650</b>	<b>\$ -</b>	<b>\$ -</b>

\*Actuals intentionally left blank.



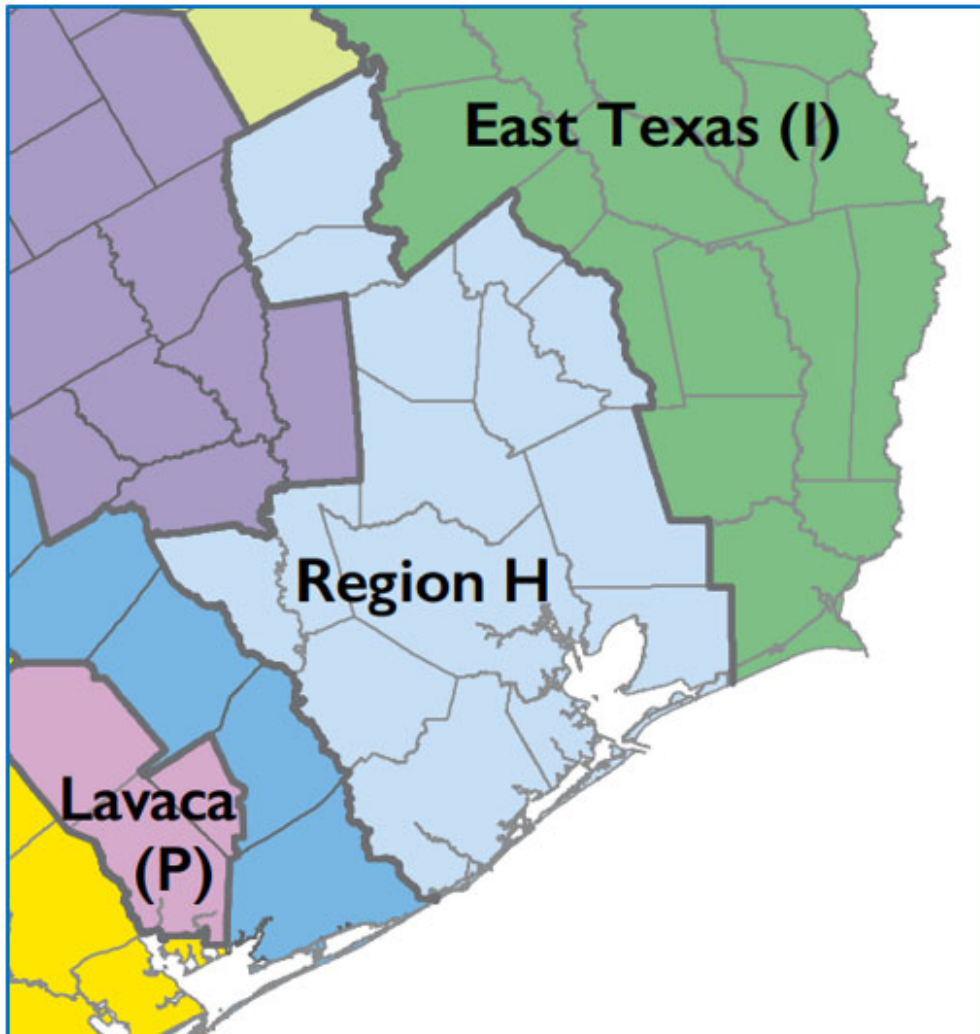
# Region H

## REGION H

---

The Authority serves as the administrative agent for the Region H Water Planning Group (Region H). Region H is one of 16 regional planning groups created by the Texas Legislature in 1997 with the adoption of Senate Bill 1. Region H's efforts are directed at creating a 50-year regional water plan every five years for all or part of 15 counties, including Montgomery County, identifying projected water shortages when forecasted water demands outpace existing water supplies. The State of Texas provides funding for the majority of Region H expenses through TWDB grants, with local entities contributing a small amount of funds to cover small miscellaneous expenses. Region H completed its latest plan in 2021 and submitted it to the TWDB for inclusion in the 2022 State Water Plan. Region H is continuing the next five-year water planning process, working toward the development of the 2026 Region H Water Plan which will be incorporated in the 2027 State Water Plan.

**MAP OF REGION H WATER PLANNING AREA**



**Capital Improvements and Other Projects Plan:** Region H has no capital improvements or other major projects planned for FY2024.

**Total Indebtedness and Annual Debt Service:** Region H does not have any indebtedness as of FY2023 and no plans for future indebtedness in FY2024 or beyond.

**Staffing Plan:** The Authority does not allocate any staff time to Region H.

**Revenues:** Revenues for FY2024 for Region H include an anticipated TWDB grant of \$900,000 as well as \$1,200 in interest income for total revenues of \$901,200.

**Expenses:** Expenses for FY2024 for Region H include professional fees and miscellaneous purchased and contracted services related to the development of the 2026 Region H Water Plan. The TWDB grant covers the professional fees and some travel expenses while other miscellaneous expenses are covered by previous contributions from the members.

Expected expenditures for Region H for FY2024 total \$903,150.

**Fund Balance and Reserves:** Region H does not maintain any fund balance or reserves. For FY2024, the net between revenues and expenditures for Region H is \$0.

**San Jacinto River Authority - Region H**  
**Actual to Budget Comparison**  
**FY2022 - FY2024**

Description	Actuals FY2022	Actuals Sept-Mar FY2023	Rolling 12 Mo. Actuals Apr 2022- Mar 2023	Budget FY2023	Budget FY2024
<b>OTHER REVENUES</b>					
Interest Income	\$ 169	\$ 645	\$ 789	\$ -	\$ -
Interest Income- Region H - General Fund	673	2,926	3,555	60	1,200
Grant Revenue	115,063	57,531	125,306	525,000	900,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 115,905</b>	<b>\$ 61,102</b>	<b>\$ 129,650</b>	<b>\$ 525,060</b>	<b>\$ 901,200</b>
<b>OPERATING EXPENSES</b>					
<b>PROFESSIONAL FEES</b>					
Engineering	\$ 118,868	\$ 64,082	\$ 135,391	\$ 525,000	\$ 900,000
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 118,868</b>	<b>\$ 64,082</b>	<b>\$ 135,391</b>	<b>\$ 525,000</b>	<b>\$ 900,000</b>
<b>PURCHASED &amp; CONTRACTED SERVICES</b>					
Meeting Expenses	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Posting Notice Expenses	5,400	44	72	250	250
Public Official Liability	1,447	1,447	1,447	1,447	1,600
<b>TOTAL PURCHASED &amp; CONTRACTED SERVICES</b>	<b>\$ 6,847</b>	<b>\$ 1,491</b>	<b>\$ 1,519</b>	<b>\$ 2,697</b>	<b>\$ 2,850</b>
<b>SUPPLIES, MATERIALS &amp; UTILITIES</b>					
Automobile & Truck Expense	\$ -	\$ -	\$ -	\$ 300	\$ 300
<b>TOTAL SUPPLIES, MATERIALS &amp; UTILITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300</b>	<b>\$ 300</b>
<b>TOTAL EXPENSES</b>	<b>\$ 125,715</b>	<b>\$ 65,573</b>	<b>\$ 136,910</b>	<b>\$ 527,997</b>	<b>\$ 903,150</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ (9,810)</b>	<b>\$ (4,471)</b>	<b>\$ (7,260)</b>	<b>\$ (2,937)</b>	<b>\$ (1,950)</b>
<b>OTHER SOURCES (USES)*</b>					
Cash Sources (Uses)				\$ 2,937	\$ 1,950
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 2,937</b>	<b>\$ 1,950</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ (9,810)</b>	<b>\$ (4,471)</b>	<b>\$ (7,260)</b>	<b>\$ -</b>	<b>\$ -</b>

\*Actuals intentionally left blank.

**San Jacinto River Authority**  
**FY2024 Budget**  
**Capital Equipment List**

**FY2024 Budget    Description**

**General & Administration:**

Transportation Equipment	\$ 225,000	Replacement of (1) Pool Vehicle (\$45,000); Replacement of (2) Trucks and (1) SUV for Technical Services (\$100,000); Replacement of (1) Service Body Truck for SCADA (\$80,000)
--------------------------	------------	--

**GRP:**

Water Treatment Plant & Facilities	\$ 1,696,500	Completion of Process Water Recovery Basins (\$500,000); Building 12 Emergency Power (\$400,000); Spare Pump & Motor for Raw Water (\$305,000); Wastewater Discharge Optimization (\$105,000); GAC Fines Processing Equipment (\$100,000); Flow Control Valve Vault Expansion (\$100,000); Crane (\$100,000); Building 12 Bathroom Expansion (\$50,000); 20' Road Crossing for Fines Events (\$20,000); Awning Canopy for Equipment 24'x30' (\$16,500)
Transportation Equipment	\$ 40,000	Small Truck or SUV
Computer Hardware/Software	\$ 428,281	Digital Water Part 2 (\$300,000); GRP Portion of SJRA wide Capital Software (\$2,187); GRP Portion of SJRA wide Capital Hardware (\$103,594); SCADA Server contribution 1st year of 5 (\$22,500)

**Highlands:**

Transportation Equipment	\$ 55,000	Replacement of (1) 1/2-ton trucks (\$55,000)
Other Machinery & Equipment	\$ 170,000	Backhoe (\$110,000 less estimated trade in of \$25,000); Electric Mig Welding Machine (\$5,000); Trailer Mounted Generator (\$80,000)

**Lake Conroe:**

Transportation Equipment	\$ 50,000	Replacement of (1) Truck (\$50,000)
--------------------------	-----------	-------------------------------------

**Woodlands:**

Other Machinery & Equipment	\$ 41,500	UTV for Collections and Distributions (\$18,500); Replace (2) UTVs for WWTF 1 and 2 (\$18,000); Trailered Arrow Board for Traffic Control (\$5,000)
Water Treatment Plant & Facilities	\$ 54,990	WP3 & WP4: Replacement of Chlorinators and Regulators (\$54,990)
Sewage Treatment Plant & Facilities	\$ 16,600	WWTF 3: Replace (4) regulators (\$7,600); Replace Force Flow 150lbs Scales (\$9,000)
Transportation Equipment	\$ 52,000	Replacement of (1) truck (\$52,000)