

Annual Membership Meeting

Double Horn Creek Water Supply Corporation

31-January-2026



When the well is dry, we know
the worth of water.

~ Benjamin Franklin

Agenda

Welcome and Introductions

- Meeting purpose (elect directors and review/approve annual budget)
- DHCWSC Directors present

January 2025 meeting minutes

- Distribution (via email attachment) and quorum
- Discuss and approve

2025 Review

- Infrastructure
- Business Operations

2026 Plans

- Business/operations
- Special projects

Approve/reject annual budget

Board and Member actions/appointments

The Bottom Line Up Front

Our Objectives Remain the Same



Ensure that our members have access to safe and high-quality drinking water

Satisfy demand within our environmental limits

Safeguard and preserve our resources

- Conservation efforts
- Preventative maintenance
- Capital enhancements

All at the most affordable price possible

Our Challenges Are Changing

Persistent drought conditions show no signs of improvement in the near future

- This requires us to revise our plans to account for significantly reduced rainfall and decreased well recharge.

Factors that once enabled effective well recharge have shifted

- Well levels have dropped to critically low points, jeopardizing both supply capacity and structural stability.

Rate adjustments are necessary to offset for reduced income and to cover increasing costs

- Rising inflation and aging infrastructure
- New well development
- Capital equipment improvements
- Gradual community growth with 127 active meters currently in use, compared to a potential capacity of 170

What Are We Doing?

Prioritizing continued conservation

- Still the most cost-effective strategy
- Prioritizing early leak detection and repair
- Limiting outdoor watering and pool refilling until well levels return to acceptable levels
- Collaborating with the City of Double Horn through the *Water Smart Rebate and Education Program* initiatives including rainwater harvesting, native and drought-resistant landscaping, etc

Augmenting well capacity with bulk water deliveries

- Supplemental bulk water deliveries accounted for 34% of 2025 demand
- Total cost for 2025 was approximately \$170K
- Average per meter cost is approximately \$112 monthly

Progressing with the Future Water Security (FWS) Project with the goal of adding an additional well in 2027

- Currently evaluating area geology to identify at least 2 places for drilling test wells
- Critical path is securing the necessary rights from property owners

The Bottom Line

We must implement a business strategy that responds to drought cycles while maintaining a robust operations and capital equipment maintenance program

- Adjust rates to cover inflation, operating costs and anticipated expenses for future water security initiatives
- Maintain prudent operating and management reserve funds to address unexpected repairs and capital equipment enhancements
- Secure a credit rating strong enough to obtain financing for upcoming water security projects and equipment investments

Addressing future demand will necessitate a multi-year, phased approach involving multiple strategies

All available options involve significant costs and require considerable time to implement

There Are No Guaranteed or Risk-Free Solutions

2025 In Review

Conservation Works

- **Members have shown strong engagement**
- **Over the last five years, members have saved an amount of water equivalent to multiple years of consumption**
- **By 2025, water usage stabilized, suggesting we are nearing minimal consumption levels**
- **Continued leak response vigilance is necessary in 2026.**
- **Water lost through either consumption or leaks must be replenished by acquiring additional bulk water**

	2019	2025	Percent Improvement
Number of Active Meters	111	127	14%
Total Water Pumped	10.13M gallons	5.84M gallons	42%
Average Usage Per Meter	91,261 gallons	45,984 gallons	50%

Our Biggest Issue



Critical well levels and insufficient recharge rates are unable to satisfy the current demand for potable water from members

- Ongoing drought conditions
- Potential alterations in recharge zones
- Natural shifts in local geological formations

These factors necessitate the continued purchase of bulk water to supplement well supply, ensuring demand is met and preventing long-term damage to the wells

2025 Well Status

In 2025, well levels continued to be significantly impacted by prolonged drought conditions alongside other regional geological factors.

Stabilization of the decline was achieved during 2025 through the implementation of bulk water.

Wells #1 and #2 have demonstrated moderate recovery, with their recharge rates partially correlated with rainfall.

Well #3 remains at critically low levels despite decreased usage, and its recharge does not seem to align with rainfall trends.

- Further investigations are planned as funding becomes available
- Based on the results from the investigations, potential rehabilitation will be considered when it can be afforded and it is feasible to take the well offline without impacting delivery

2025 Data	Well #1 (540/600')	Well #2 (93/100')	Well #3 (107/123')	Monthly Rainfall (inches)	CTGCD Drought Stage	Water Pumped (K Gals)	Bulk Water (K Gals)
Stage II Drought Threshold	30	30	55				
Stage III Drought Threshold	60	60	70				
January (01/19/25)	92.7	91.0	115.1	2.91	Critical	651.0	40.0
February (02/24/25)	35.5	69.2	91.8	0.99	Critical	553.0	160.8
March (03/13/25)	37.8	66.7	90.8	1.67	Critical	520.0	202.0
April (04/09/25)	38.7	58.3	86.8	1.23	Critical	405.5	203.5
May (05/16/25)	40.2	59.2	86.4	4.74	Critical	432.0	162.4
June (06/26/25)	35.7	28.1	91.8	2.92	Critical	451.0	168.0
July (07/15/25)	23.7	9.2	88.6	8.75	Critical	472.0	184.0
August 08/15/25)	35.8	14.2	90.3	0.46	Moderate	556.0	168.0
September 09/15/25)	40.3	21.5	92.1	0.59	Moderate	455.0	176.0
October (10/15/25)	42.4	24.5	88.3	1.95	Moderate	453.0	184.0
November (11/18/25)	42.3	35.7	89.9	1.26	Moderate	396.0	163.0
December (12/15/25)	42.9	56.6	90.6	0.08	Moderate	498.0	184.0
			Annual Total	27.55		5,842.5	1,995.7

Maintaining a Balance Between Stable Wells and Procuring Bulk Water Remains a Priority

Primary Objective: Fulfill demand while maintaining safe water levels in all three wells

Necessary operational adjustments

- Adapted water plant to accommodate approximately 40,000 gallons of bulk water weekly
- Process different disinfectant types

Administrative actions

- Revised monthly billing procedures to recover bulk water expenses proportional to usage

Future Water Security (FWS) Project



Objective: Commission additional public water supply well(s) by mid-2027

- Phase 1, which includes test wells, is expected to be financed using current reserves; however, replenishment of these reserves will be required in subsequent years.
- Phase 2 will require securing long-term funding through grants and low-interest loans, alongside implementing assessments to recoup expenses related to bringing a new well online.

Project launched in September 2025

- Preliminary area surveys have been completed
- Initial evaluations of lots are underway
- Licensed geologist and well engineering services engaged
- Partnered with WFX for finding, navigating and securing affordable long-term financing

2025 Tariff and Policies Updates

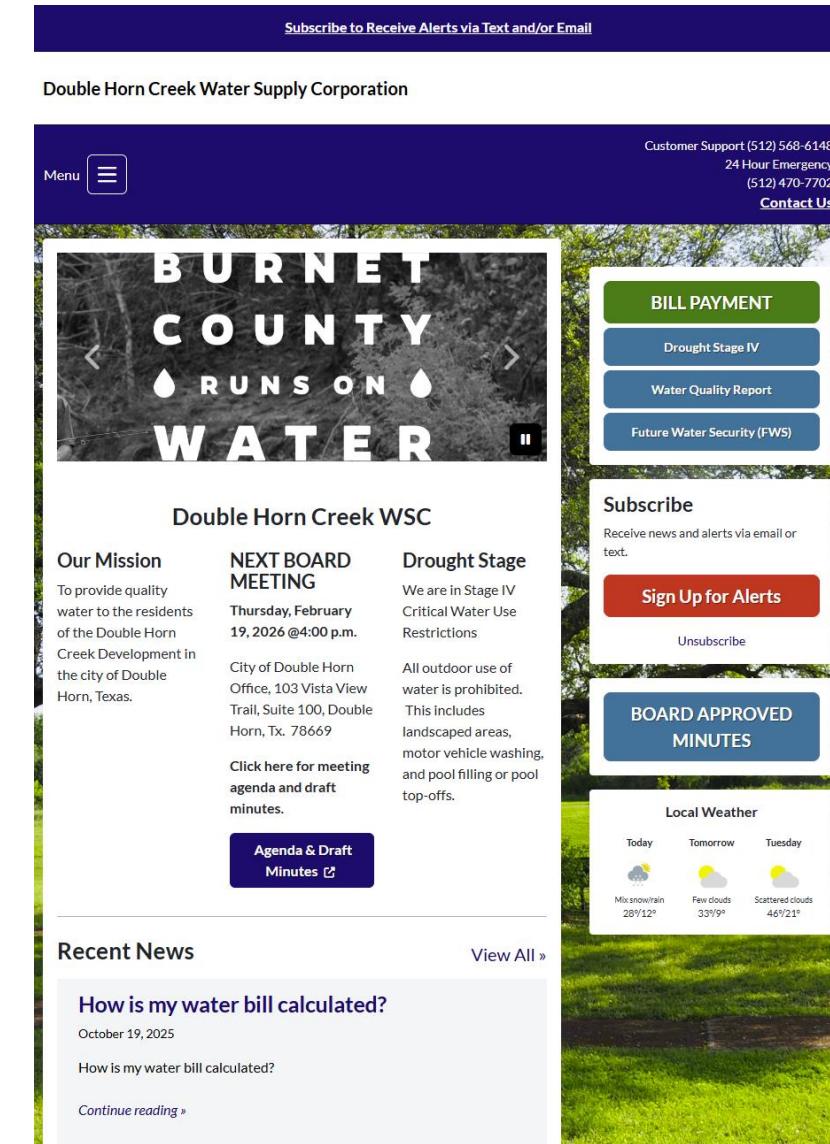


The Tariff and Policies document outlines the guidelines and policies governing the corporation's operations.

- Summary of changes and updates effective April 2025: Member notifications may be delivered via *email, text message, or postal mail*.
- Implementation of our advanced metering infrastructure (AMI) with an embedded cloud-based software platform (WaterScope), enabling detailed water usage analysis and facilitating digital/online access.
- Revised penalties related to tampering.
- Modifications to the drought contingency plan, including penalties for violations of water use restrictions.
- Updates to the water conservation plan.
- Revised checklist for qualifying for water bill adjustments.
- Water rates effective as of April 1, 2025.
- Updates to the new membership packet reflecting current contact information for SUS.

A New Website Platform

- Migrated from the *GoDaddy* platform to the *Rural Water Impact* platform to improve reliability, support and reduce recurring support costs
- No change for members
- Specialized support for rural water corporations
- Unlimited member text messages
- Annual cost saving approximately \$500-\$600/year



The screenshot shows the homepage of the Double Horn Creek Water Supply Corporation. At the top, there is a dark blue header with the text "Subscribe to Receive Alerts via Text and/or Email". Below the header, the website's name "Double Horn Creek Water Supply Corporation" is displayed. On the right side of the header, there are links for "Customer Support (512) 568-6148", "24 Hour Emergency (512) 470-7702", and "Contact Us". The main content area features a banner with the text "BURNET COUNTY RUNS ON WATER" and a "Double Horn Creek WSC" logo. Below the banner, there are sections for "Our Mission", "NEXT BOARD MEETING", "Drought Stage", and "Recent News". On the right side, there are buttons for "BILL PAYMENT", "Drought Stage IV", "Water Quality Report", "Future Water Security (FWS)", "Subscribe", "Sign Up for Alerts", and "Unsubscribe". At the bottom, there is a "BOARD APPROVED MINUTES" section and a "Local Weather" forecast for the next three days.

Looking to 2026

Key 2026 Objectives



Continue to maintain effective operations and meet demand while controlling operational expenses

Oversee budgeting and rate adjustments to offset rising expenses and secure an adequate credit rating

Manage well stability and health

Continue to push forward on the FWS Project

- Find a suitable well location, secure the rights, complete an audit, and submit the necessary application(s) for low interest financing

Continued Operations



Meet demand and maintain steady operations with little to no down time through effective management and proper maintenance cycles

Plan for flat year-over-year income from water and rising operations expenses

Rebuild operations and management reserves to address both planned and unplanned maintenance

Existing Well Management

Ongoing monitoring of usage rates, well levels, and recharge rates

Adjust bulk water deliveries and volumes to support the sustainability of current wells

Retain two bulk water suppliers to ensure redundancy and promote competitive pricing

Plan for video inspection and geological evaluation of Well #3 for late 2026

FWS Phase-1 Key Challenges



1. Secure legal rights to drill a public well.
2. Verify the site is suitable for drilling a test well that produces high-quality water.
3. Ensure the new well will not interfere with existing wells nearby.
4. Confirm the well's expected operational life is at least 25 years to reach financial breakeven.
5. Guarantee drilling costs do not adversely impact our credit rating, allowing access to state financing and a seamless transition from test well to full production.
6. The location should be close enough to the facility to keep construction costs manageable

The First Critical Path is Securing the Rights Required by Texas State Regulations From a Willing Property Owner

FWS Financing Will be Our Next Big Challenge



The current Phase-2 cost estimate is \$2M \pm 20% depending largely on construction and treatment costs

Local commercial financing for amounts over \$50,000 is currently not accessible.

Due to our economic status, our community does not meet the criteria for many federal or state grant programs (e.g., economically disadvantaged).

The most practical alternative is low-interest, long-term loans backed by the state of Texas.

- Approval is contingent on our credit rating
- Maintaining strong financials is essential to secure a favorable rating
- We will probably need to significantly raise rates to qualify

Mitigate the risk by engaging with knowledgeable and seasoned partners

Complete an independent (Yellow Book) audit to establish a credit rating

Continued partnership with Water Finance Exchange (WFX)

- WFX is a non-profit organization with an experienced team of water and finance professionals to help find, navigate and secure financing for community-based water projects.

Continued partnership with Texas Rural Water Association (TRWA)

- Technical, legal , financial & rate, and administrative assistance

2026 Rate Change

2026 Forecast on Current Rate Structure



The existing rates fall short of achieving our minimum targets

- Revenue is projected to stay steady as a result of conservation measures
- Inflation, coupled with rising operational and administrative costs, will further deplete reserves
- Phase-1 of the Future Water Security Project has to be funded by reserves
- Necessary to allocate reserves for upcoming capital improvement projects to modernize or replace aging equipment and infrastructure

***To Effectively and Efficiently Manage for the Future We
Must Raise Rates to Meet Commitments***

Planning for 2026



In 2025, revenue fell short of expectations, depleting operational reserves.

For 2026, we project revenues to remain steady, influenced by ongoing conservation initiatives.

Rising expenses in accounting, insurance, administration, and operations are impacting the baseline.

Maintaining an adequate management reserve is essential.

Prepare for the upcoming 2-year operations contract renewal in early 2026.

We Must Rebuild the Reserve Accounts To Prepare For the Future FWS and Needed Capital Improvement Programs

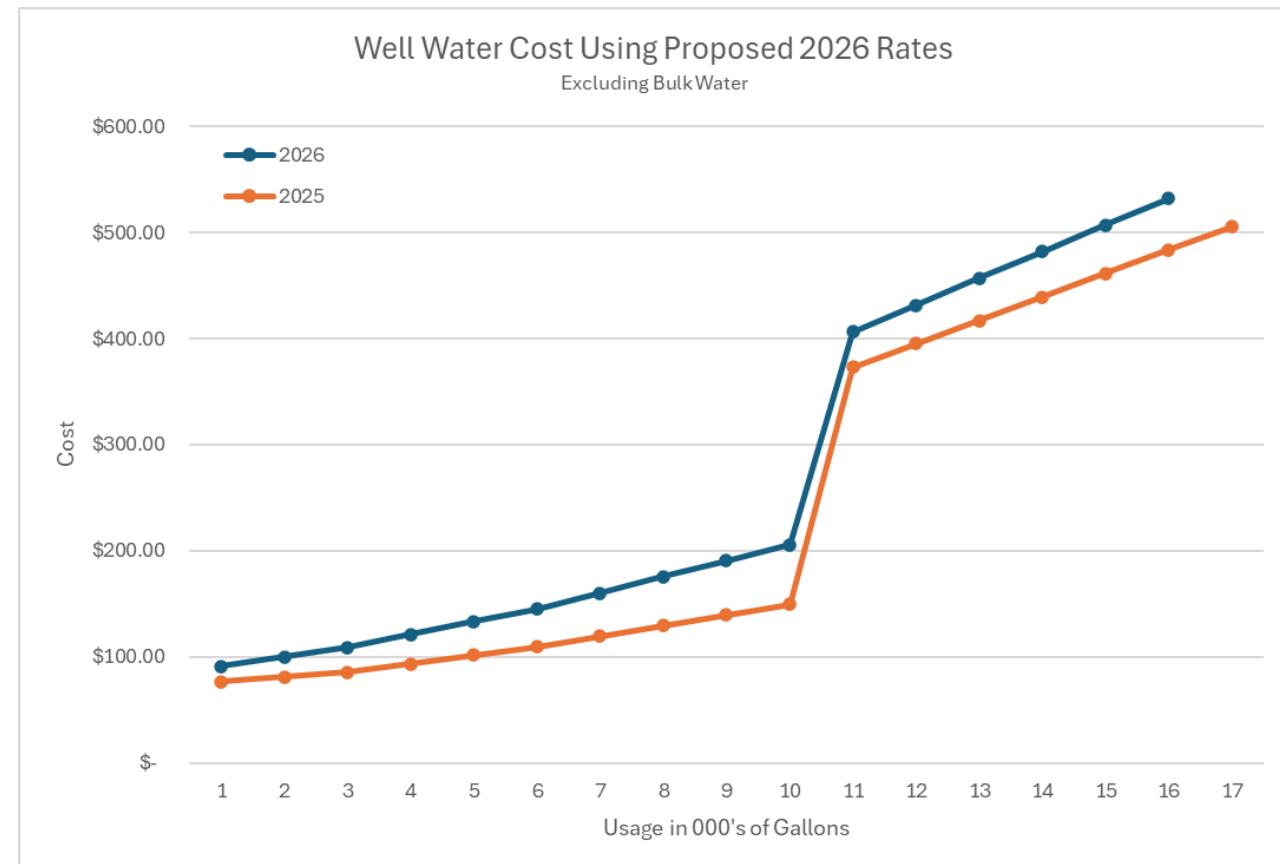
Proposed 2026 Rates



Proposed 2026 Rate Table					
Bin	Usage (Gals)		Rate per 000-gals		Step-Up
	Min	Max			
1	-	3,000	\$ 9.00		
2	3,001	6,000	\$ 12.00		
3	6,001	10,000	\$ 15.00		
4	10,001	11,000	\$ 25.00	\$ 200.00	
5	11,001	20,000	\$ 28.00		
6	20,001	40,000	\$ 48.00	\$ -	
7	40,001		\$ 55.00	\$ 200.00	

Service Availability Charge \$ 81.50
Regulatory Assessment Fee 0.50%

- **Every bin must be increased to compensate for reduced consumption**
- **Increased Service Availability Charge by \$10.00 to maintain focus on paying for consumption**
- **Increase planned for Q2 of 2026**



Does not include bulk water cost allocations.

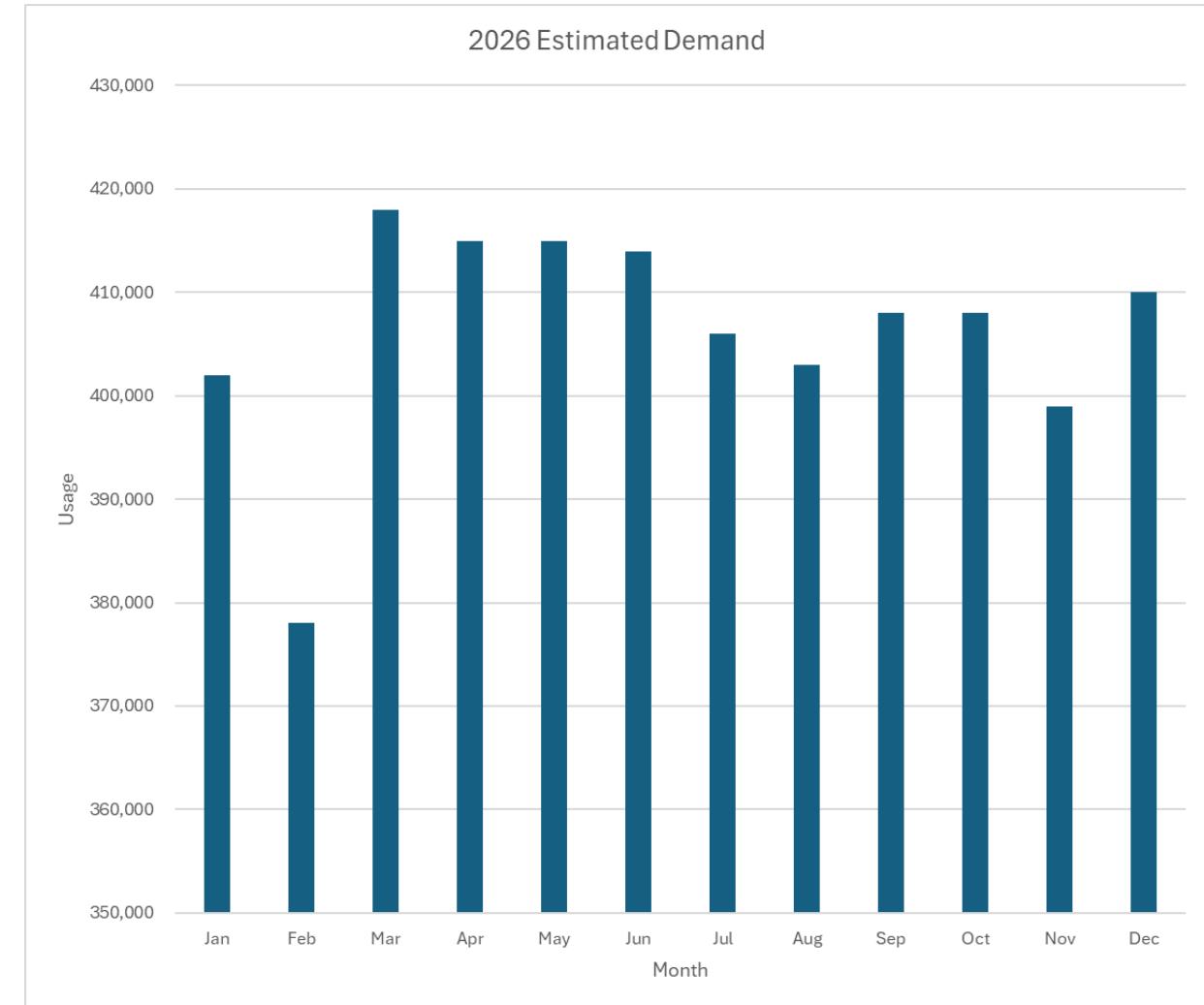
Estimated 2026 Demand

Forecast demand and income for 2026-2029 to remain relatively flat

The new rates covers the estimated 2026-2029 operating expenses

Starts to rebuild reserves for new Capital Improvement Projects

Covers a portion of FWS projects



2026 Budget Overview

2026 Budget Planning

2026 Budget Overview & Assumptions

- Water revenue remains steady
- Bulk water deliveries break even financially
- Projected expenses accounted for
- Maintains an adequate management reserve
- General manager funded to better manage both operations and customer services
- Begins financial recovery across the next four years

Future planning incorporates projected financials related to the additional well

- New Capital Improvement Projects would be funded through reserves as they are identified

	Actual	
	2025	2026
Income	\$ 320,925.00	\$ 344,752.00
Water	\$ 140,044.00	\$ 161,752.00
Memberships	\$ -	\$ 5,000.00
Grants	\$ -	\$ -
Bulk Water	\$ 170,194.00	\$ 173,000.00
PWS-5 Assessment		
Other	\$ 10,687.00	\$ 5,000.00
Expenses	\$ 328,441.60	\$ 396,953.16
Operations	\$ 115,311.82	\$ 135,457.72
General Management	\$ -	\$ 19,945.39
Operations	\$ 56,431.50	\$ 58,742.05
Billing	\$ 13,937.50	\$ 7,750.34
Administrative	\$ 8,672.20	\$ 9,050.00
Services	\$ 8,465.69	\$ 8,851.00
Maintenance	\$ 21,114.20	\$ 24,000.00
Power/Electricity	\$ 6,690.73	\$ 7,118.94
General & Administrative	\$ 23,410.78	\$ 37,961.65
Administrative Costs	\$ 2,807.20	\$ 1,888.88
Web Site & Digital	\$ 1,507.32	\$ 550.00
Office Supplies	\$ 98.16	\$ 101.10
Dues & Memberships	\$ 869.00	\$ 895.07
Conference Expenses	\$ 207.72	\$ 213.95
Fees	\$ 125.00	\$ 128.75
State Regulatory Costs	\$ 1,139.58	\$ 1,173.77
Financial	\$ 3,985.00	\$ 19,420.00
Accounting Services	\$ 3,985.00	\$ 4,420.00
Independent Corp Audit	\$ -	\$ 15,000.00
Insurance	\$ 6,979.00	\$ 6,979.00
Mortgage	\$ 8,000.00	\$ 8,000.00
Public Utility Memberships	\$ 500.00	\$ 500.00
Water	\$ 169,670.00	\$ 173,533.80
Water Tank Annual Lease	\$ 116.00	\$ 121.80
Water Tank Landscape	\$ 400.00	\$ 412.00
PWS-5 Loan Obligations		
Bulk Water	\$ 169,154.00	\$ 173,000.00
Projects	\$ 20,049.00	\$ 50,000.00
Capital Improvement		
FWS Phase-1	\$ 20,049.00	\$ 50,000.00
FWS Phase-2		
Other		
Net Operating Cash	\$ (7,516.60)	\$ (52,201.16)
Operating Reserves	\$ 59,673.00	\$ 52,156.40
Net Operating Balance	\$ 52,156.40	\$ (44.76)
Management Reserve	\$ 104,198.00	\$ 104,198.00
Net Cash	\$ 156,354.40	\$ 104,153.24

2026 Budget (Expanded for Readability)

	Actual	
	2025	2026
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2026 Budget (Expanded for Readability)

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Net Operating Balance	\$ 52,156.40	\$ (44.76)
Management Reserve	\$ 104,198.00	\$ 104,198.00
Net Cash	\$ 156,354.40	\$ 104,153.24

**Motion to approve
2026 budget?**

Board of Directors Actions

BoD Status

Member	Term	Term Expires	Status	Action
Pilar Chiodo	2-year	31-Jan-2027	Continue to serve term	
Roger Trejo	2-year	31-Jan-2026	Seeks new term, serve until Jan. 2028	Unopposed election, appoint by resolution
Sig Sereno	2-year	31-Jan-2026	Stepping down	Many thanks for years of community service!
Curtis Raetz	2-year	31-Jan-2026	Stepping down	Many thanks for years of community service!
Vacant				

**Garry Simms and Ted Groesbeck have applied for open board seats.
They will be appointed by board resolution.**

One seat remains vacant.

Board of Directors Resolution



Bylaws state: “The Board by resolution may declare a candidate elected to a director's position if the Board certifies in writing that the candidate is unopposed for the position. A copy of the resolution shall be posted at the Corporation's main or registered office.”

3 unopposed candidates for January 2026 election

Position 1: Roger Trejo (2 year term)

Position 2: Garry Simms (2 year term)

Position 3: Ted Groesbeck (2 year term)

Position 4: Open

Next steps: Accept the resolution at next board of directors meeting in February 2026

Board of Directors Resolution (cont.)



Double Horn Creek Water Supply Corporation Resolution

A resolution of the Board of Directors of the Double Horn Creek Water Supply Corporation electing unopposed candidates.

WHEREAS, the terms of Directors Roger Trejo, Sig Sereno, and Curtis Raetz expire in January 2026;

WHEREAS, Roger Trejo, Garry Simms, and Ted Groesbeck, all members of the Corporation meeting the qualifications to serve as Directors, have stated in writing their willingness to serve as Directors;

WHEREAS, no other candidates have stated in writing a willingness to serve as Directors;

WHEREAS, the Corporation's bylaws Article 8, paragraph 5, subparagraph B specifies a procedure to elect unopposed Director candidates;

NOW THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF DOUBLE HORN CREEK WATER SUPPLY CORPORATION:

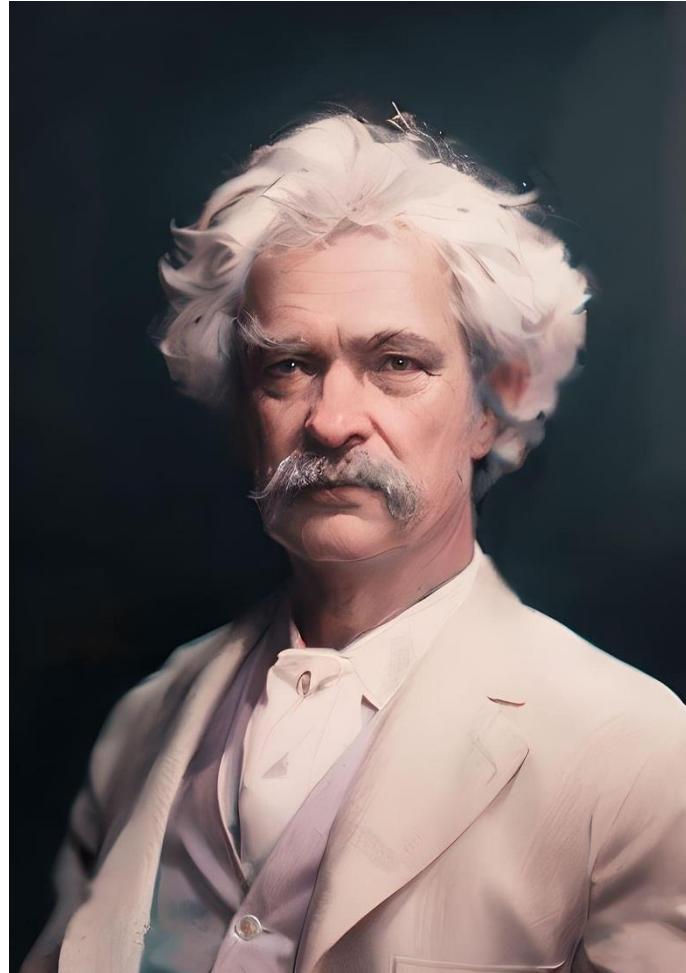
1. Cancels the 2026 election by ballot of Directors
2. Declares Roger Trejo, Garry Simms, and Ted Groesbeck elected Directors of the Corporation serving two (2) year terms ending in January 2028.
3. That this resolution shall take effect immediately upon passage.

DULY PASSED BY THE BOARD OF DIRECTORS OF DOUBLE HORN CREEK WATER SUPPLY CORPORATION THIS 19th DAY OF FEBRUARY, 2026.

XXXXXXX, DHCWSC President

Pilar Chiodo, DHCWSC Secretary/Treasurer

Questions/Comments



Whiskey is for drinkin'

Water is for fightin'

Mark Twain

Backup

2025 Review: Water Depth Monitoring

Water Depth Below Top of Casing (BTOC)

2024 Data	Well #1 (540/600')	Well #2 (93/100')	Well #3 (107/123')	Monthly Rainfall (inches)	CTGCD Drought Stage	Water Pumped (K Gals)
Stage II Drought Threshold	30	30	55			
Stage III Drought Threshold	60	60	70			
January (01/14/24)	31.1	15.0	73.5	2.89	Critical	671.0
February (02/13/24)	24.8	10.9	73.6	1.48	Critical	530.0
March (03/15/24)	26.4	14.1	73.9	1.28	Critical	616.0
April (04/16/24)	31.7	16.0	73.7	2.80	Critical	661.0
May (05/18/24)	24.0	11.6	71.8	7.55	Critical	545.0
June (6/17/24)	25.8	13.6	72.4	1.59	Severe	736.0
July (07/14/24)	33.9	14.0	75.6	4.77	Severe	790.0
August 08/16/24)	125.0	17.4	80.1	1.24	Severe	891.0
September (09/10/24)	29.7	16.1	83.6	2.73	Severe	840.0
October (10/17/24)	40.2	28.1	91.3	0.01	Severe	813.0
November (11/16/24)	51.7	66.2	93.6	0.70	Severe	678.0
December (12/16/24)	89.9	73.7	97.3	0.83	Severe	756.0
			Annual Total	27.87		8,527.0

Stoplight Codes:			
	Above Stage II	Above Stage III	Below Stage III

Central Texas Groundwater Conservation District (CTGCD) Drought Stage	Near Normal	Moderate	Severe	Critical

2025 Review: Water Depth Monitoring

Water Depth Below Top of Casing (BTOC)

2023 Data	Well #1 (540/600')	Well #2 (93/100')	Well #3 (107/123')	Monthly Rainfall (inches)	CTGCD Drought Stage	Water Pumped (K Gals)
Stage II Drought Threshold	30	30	55			
Stage III Drought Threshold	60	60	70			
January (1/20/23)	37.0	60.0	69.0	1.43	Critical	584.0
February (2/21/23)	25.8	15.2	68.4	2.08	Critical	570.0
March (3/20/23)	25.9	13.6	69.5	1.83	Critical	609.0
April (4/14/23)	29.8	18.3	65.0		Critical	
April (4/28/23)	28.8	19.7	60.9	3.20	Critical	554.0
May (5/12/23)	26.2	17.6	55.7	5.05	Critical	609.0
June (6/20/23)	31.8	16.4	39.8	1.38	Critical	853.0
July (7/17/23)	42.4	21.7	54.9	0.10	Critical	703.0
August (8/18/23)	68.2	37.0	65.9	0.27	Critical	1,044.0
September (9/19/23)	55.2	59.9	69.9	3.70	Critical	680.0
October (10/23/23)	57.6	65.9	73.2	4.06	Critical	656.0
November (11/16/23)	33.0	18.6	72.4	1.61	Critical	623.0
December (12/13/23)	35.3	19.0	73.0	1.22	Critical	548.0
			Annual Total	25.93		8,033.0

Stoplight Codes:			
	Above Stage II	Above Stage III	Below Stage III

Central Texas Groundwater Conservation District (CTGCD) Drought Stage				
	Near Normal	Moderate	Severe	Critical

2025 Review: Water Depth Monitoring

Water Depth Below Top of Casing (BTOC)

2021 Data	Well #1	Well #2	Well #3	
Stage II Drought Threshold	30	30	55	Monthly Rainfall
Stage III Drought Threshold	60	60	70	
January (1/12/2021)	31.4'	23.6'	70.3'	2.26
February (2/12/2021)	30.2'	18.5'	67.0'	1.83
March (3/15/21)	27'.6"	15'.2	64.0'	1.14
April (4/8/21)	34.4	20.1	63.0	0.97
May (5/12/21)	25.2'	13.2'	61.5'	10.96
June (6/11/21)	22.3'	7.9'	47.3'	6.12
July (7/13/21)	25'	11.5'	41.7'	4.27
August (8/16/21)	24.9'	12.4'	46.3'	3.09
September (9/7/21)	26.3'	14.7'	52.0'	0.00
October (10/14/21)	26.1'	14.8'	56.0'	4.27
November (11/11/21)	25.4'	14.6'	49.3'	2.20
December (12/8/21)	26.2'	15.8'	44.7'	0.07
			Annual Total	37.18

2022 Data	Well #1	Well #2	Well #3	Monthly Rainfall (inches)	CTGCD Drought Stage	Water Pumped (K Gals)
Stage II Drought Threshold	30	30	55			
Stage III Drought Threshold	60	60	70			
January (1/3/22)	27.2	19.2	27.9	0.82	Moderate	768.0
February (2/14/22)	30.0	21.7	31.2	0.52	Moderate	690.0
March (3/8/22)	29.1	18.8	39.0	1.14	Moderate	909.0
April (4/18/22)	44.4	33.6	44.0	0.24	Moderate	1,051.0
May (5/3/22)	55.7	53.0	39.9	1.51	Severe	1,165.0
June (6/13/22)	55.2	59.0	58.6	1.70	Critical	1,185.0
July (7/24/22)	138.6	71.6	66.7	0.00	Critical	992.0
August (8/9/22)	66.5	65.1	68.2		Critical	
August (8/22/22)	104.4	71.5	69.6	1.90	Critical	822.0
September (9/15/22)	42.3	64.0	68.5	1.42	Critical	662.0
October (10/20/22)	60.0	69.5	72.0	2.00	Critical	670.0
November (11/15/22)	47.2	70.5	71.6	3.35	Critical	605.0
December (12/13/22)	36.5	54.9	70.0	0.43	Critical	646.0
			Annual Total	15.03		10,165.0

Stoplight Codes:	Above Stage II	Above Stage III	Below Stage III

Approx 17" below average

2025 Review: Water Depth Monitoring

Water Depth Below Top of Casing (BTOC, measured in feet)

2019 Data	Well #1	Well #2	Well #3		2020 Data	Well #1	Well #2	Well #3	
Stage II Drought Threshold	30	30	55	Monthly Rainfall	Stage II Drought Threshold	30	30	55	Monthly Rainfall
Stage III Drought Threshold	60	60	70		Stage III Drought Threshold	60	60	70	
January (1/22/19)	20.5	8.7	22.0	2.23	January (1/6/2020)	28.9'	19.5'	49.7'	2.32
February (2/3/19)	23.4	9.8	25.4	0.40	February (2/4/2020)	26.7'	16.4'	34.5'	3.40
March (3/2/2019)	24.0	11.5	25.0	0.91	March (3/9/2020)	25.8'	14.4'	33.6	2.94
April (4/3/2019)	24.5	12.7	35.3	5.30	April (4/9/2020)	25.1'	12.2'	30.0'	3.35
May (4/30/2019)	24.1	12.0	38.5	3.32	May (5/5/2020)	25.9'	15.8'	49.2'	3.50
June (6/3/2019)	24.6	12.3	39.4	4.50	June (5/9/2020)	26.7'	19.9'	60.3'	0.47
July (7/1/2019)	25.4	13.3	45.2	1.46	July (7/1/2020)	32.3'	30.7'	63.0'	0.13
August (8/1/2019)	27.0	13.8	59.6	0.16	August (8/11/2020)	42.4'	60.0'	77.0	1.14
September (9/4/19)	26.5	18.5	66.2	0.53	September (9/10/2020)	29.7'	54.8'	79.3'	5.15
October (10/7/19)	27.0	21.5	67.2	1.99	October (10/12/2020)	34.5'	36.5'	77'	0.21
November (11/4/19)	26.8	17.7	59.0	1.49	November (11/9/2020)	36.0	48.4'	77'	0.84
December (12/13/19)	27.0'	17.6'	45.0'	0.33	December (12/10/2020)	35.7'	38.1'	74.8'	1.59
			Annual Total	22.62				Annual Total	25.04

Stoplight Codes:			
	Above Stage II	Above Stage III	Below Stage III

2025 Review: Water Usage Comparison

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Annual Rainfall (inches)	Active Meters	Avg Annual Use/Meter	Avg Monthly Use/Meter
2025	651	553	520	405	432	451	472	556	455	453	396	498	5,842	27.55	127	46.00	3.83
2024	671	530	616	661	545	736	790	891	840	813	678	756	8,527	27.87	128	66.62	5.55
2023	584	570	609	554	609	853	703	1,044	680	656	623	548	8,033	25.93	125	64.26	5.36
2022	768	690	909	1,051	1,165	1,185	992	822	662	670	605	646	10,165	15.03	123	82.64	6.89
2021	595	729	610	846	671	894	864	976	1,364	747	946	769	10,011	37.18	122	82.06	6.84
2020	605	505	549	803	1,047	1,243	1,615	1,293	790	845	796	749	10,840	25.04	119	91.09	7.59
2019	629	606	658	815	769	948	1,204	1,270	1,240	777	518	700	10,134	22.62	111	91.30	7.61

Water figures in 1,000 gallons

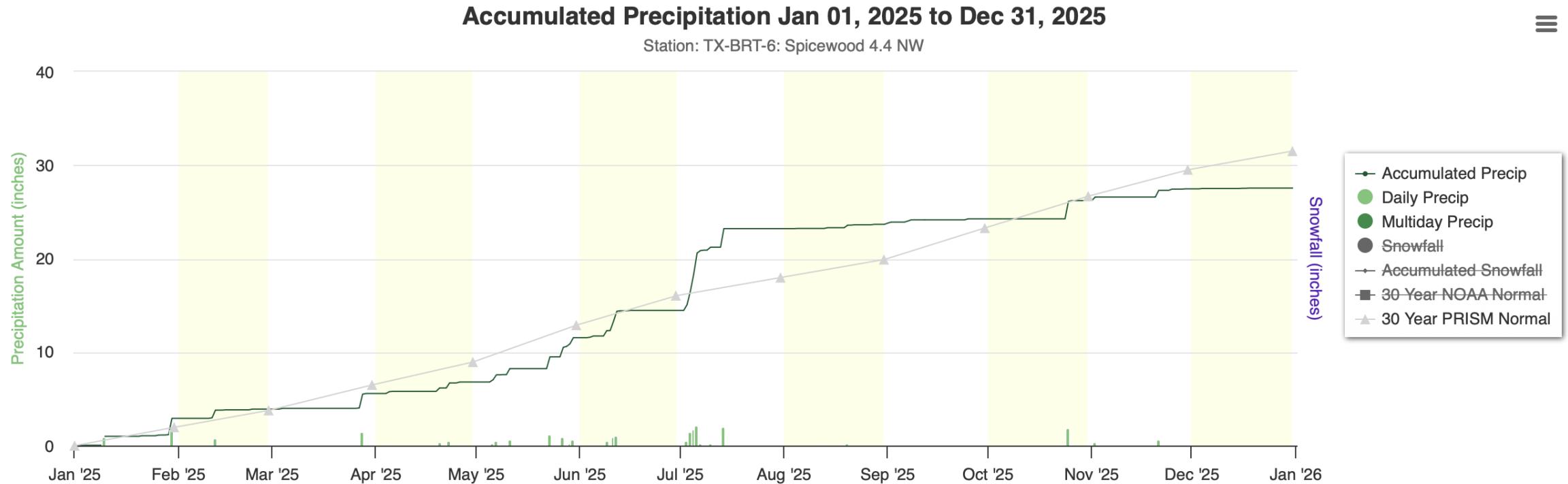
↗ Annual avg. for past 10 years = 31.95"
CoCoRaHS database TX-BRT-6 (Flowing Springs Trail)

What does the data tell us?

Consumption is influenced by a variety of factors. Primarily: rainfall, conservation practices, water use restrictions, and rates

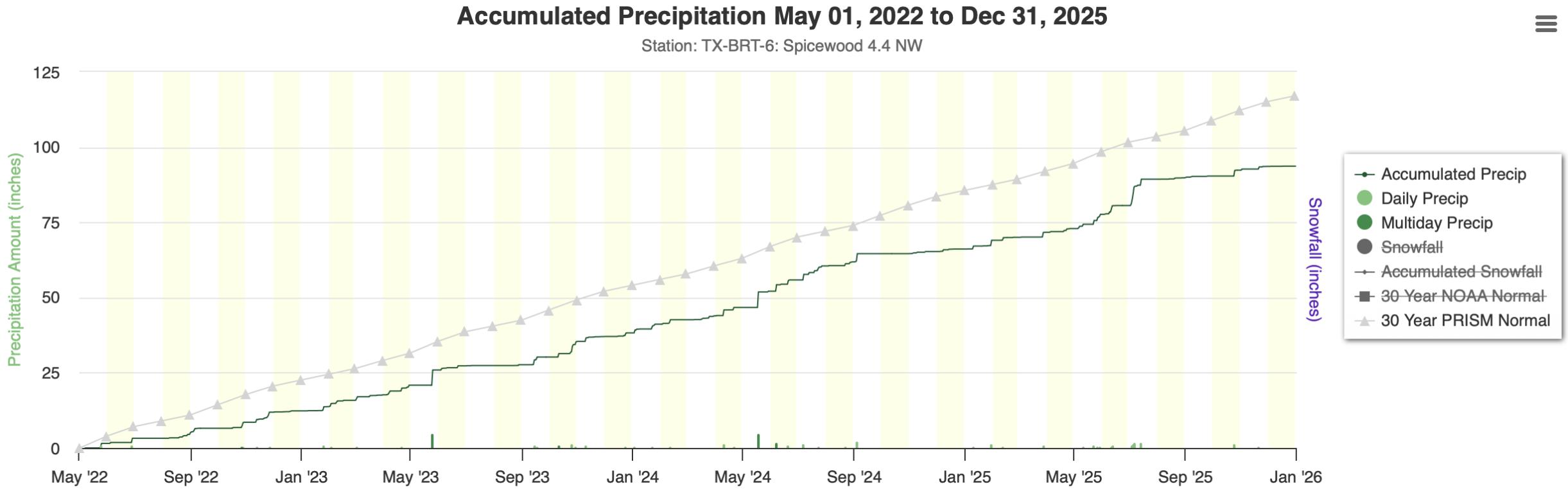
Dynamic conditions and influencers, difficult to predict

2025 Review: Annual Rainfall Comparison



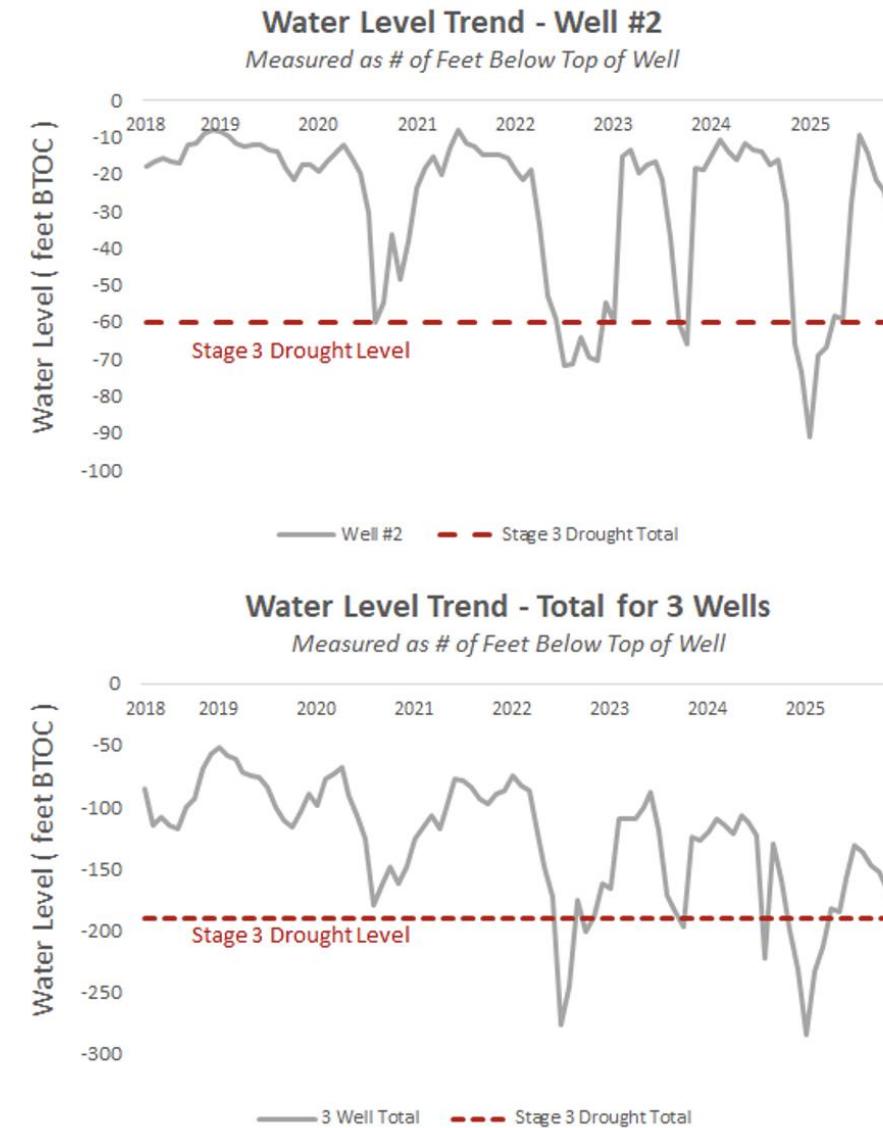
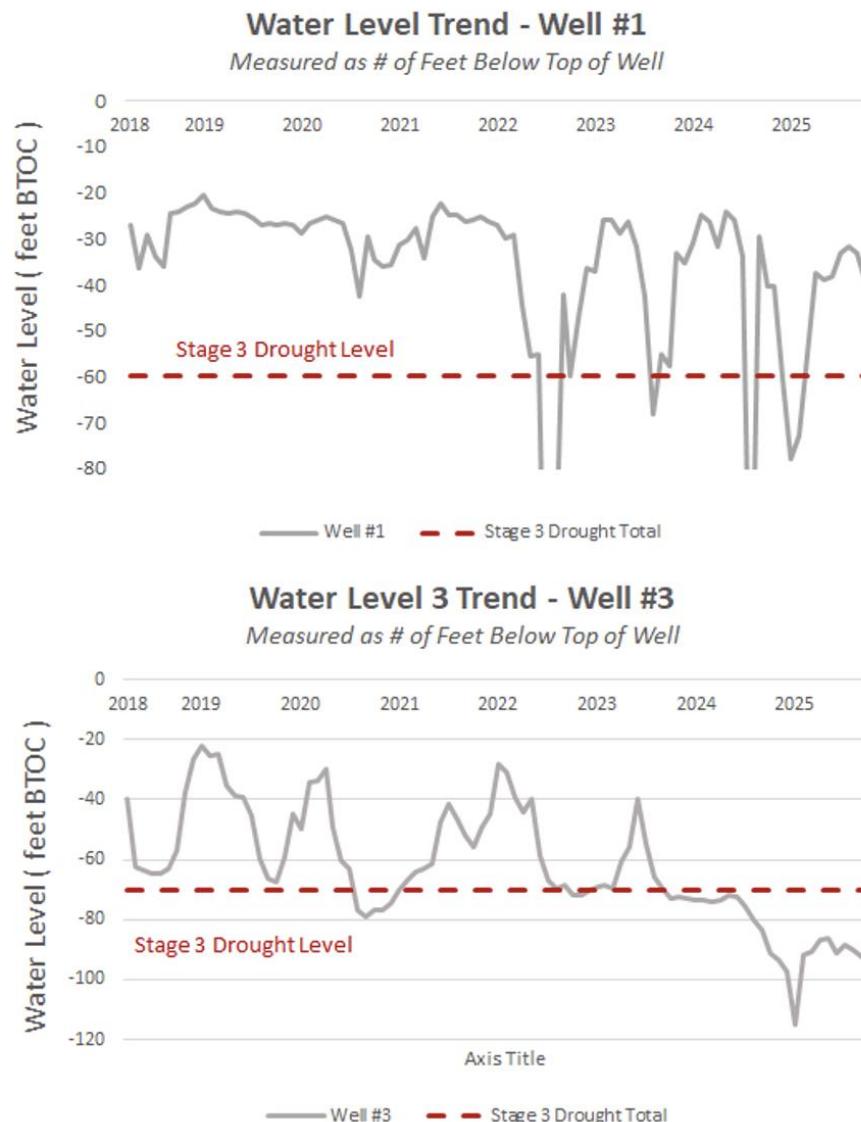
2025 rainfall near normal (-4.4") but sporadic

2025 Review: Year-Over-Year Rainfall Comparison

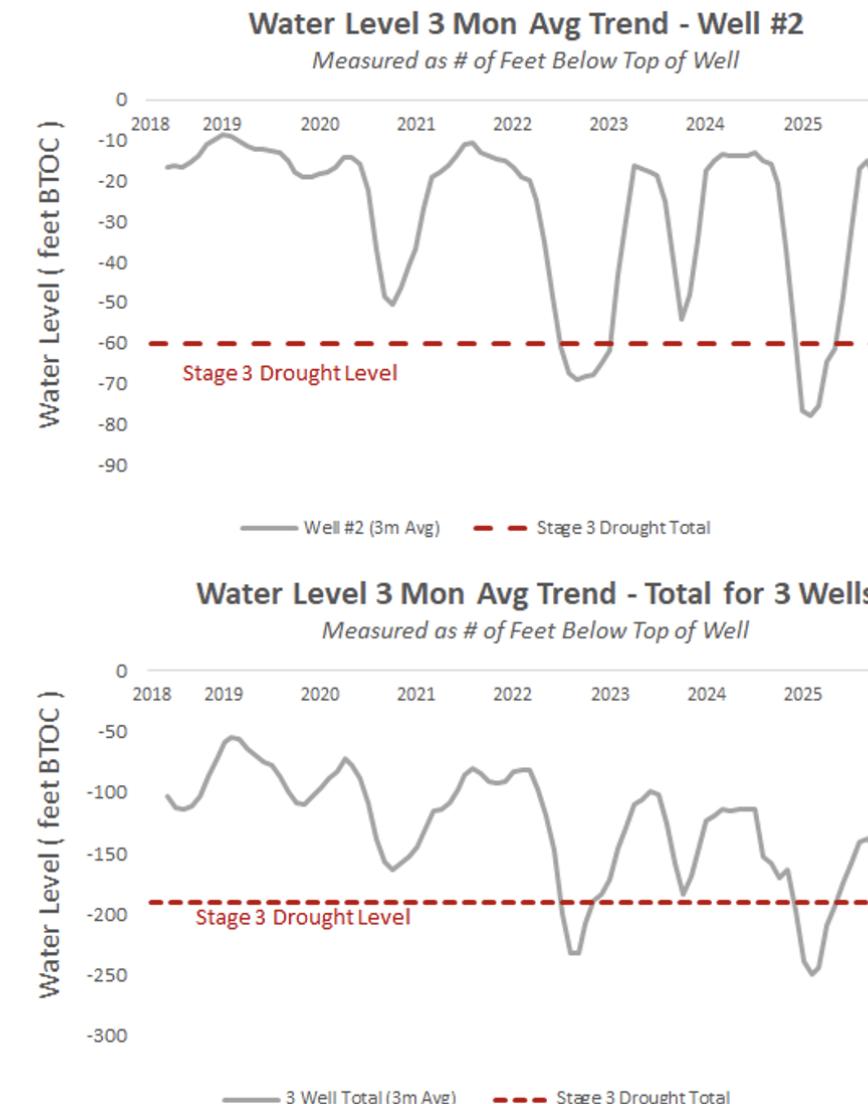
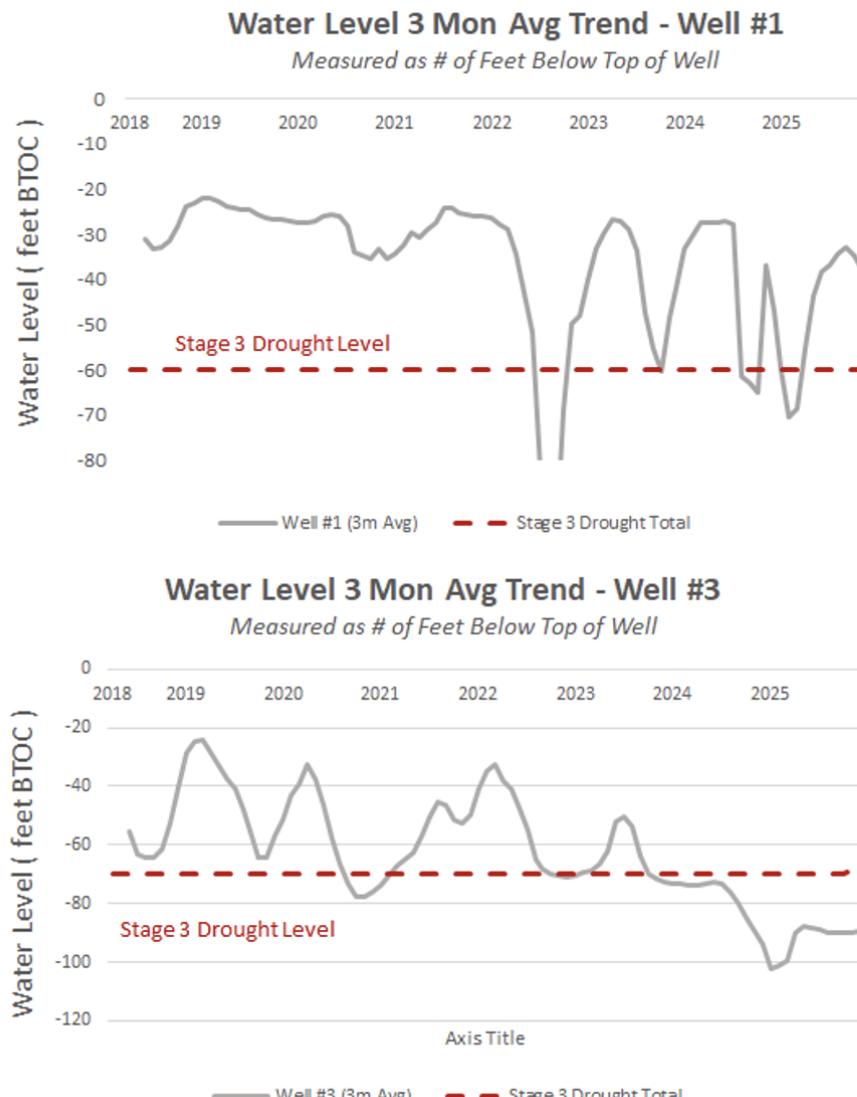


Since the drought began in May 2022, we have had only 80% of the normal rainfall accumulation, about 23.5" less than normal

Well Depth Trends



Well Depth Trends



Four Year Budget Planning

Budget Overview & Assumptions

- Water revenue remains steady
- Bulk water deliveries break even financially
- Projected expenses accounted for
- Maintains an adequate management reserve
- General manager funded to better manage both operations and customer services
- Begins financial recovery across the next four years

Future planning incorporates projected financials related to the additional well

- New Capital Improvement Projects would be funded through reserves as they are identified

	Actual					Forecast				
	2025	2026	2027	2028	2029	2025	2026	2027	2028	2029
Income	\$ 320,925.00	\$ 344,752.00	\$ 374,752.00	\$ 289,252.00	\$ 289,252.00	\$ 320,925.00	\$ 344,752.00	\$ 374,752.00	\$ 289,252.00	\$ 289,252.00
Water	\$ 140,044.00	\$ 161,752.00	\$ 161,752.00	\$ 161,752.00	\$ 161,752.00	\$ 140,044.00	\$ 161,752.00	\$ 161,752.00	\$ 161,752.00	\$ 161,752.00
Memberships	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bulk Water	\$ 170,194.00	\$ 173,000.00	\$ 178,000.00	\$ 25,000.00	\$ 117,500.00	\$ 170,194.00	\$ 173,000.00	\$ 178,000.00	\$ 25,000.00	\$ 117,500.00
PWS-5 Assessment										
Other	\$ 10,687.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,687.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Expenses	\$ 328,441.60	\$ 397,955.70	\$ 406,356.58	\$ 282,410.93	\$ 285,613.56	\$ 328,441.60	\$ 397,955.70	\$ 406,356.58	\$ 282,410.93	\$ 285,613.56
Operations	\$ 115,311.82	\$ 135,457.72	\$ 137,716.41	\$ 138,476.72	\$ 140,796.43	\$ 115,311.82	\$ 135,457.72	\$ 137,716.41	\$ 138,476.72	\$ 140,796.43
General Management	\$ -	\$ 19,945.39	\$ 19,945.39	\$ 21,035.36	\$ 21,035.36	\$ -	\$ 19,945.39	\$ 19,945.39	\$ 21,035.36	\$ 21,035.36
Operations	\$ 56,431.50	\$ 58,742.05	\$ 58,742.05	\$ 62,072.68	\$ 62,072.68	\$ 56,431.50	\$ 58,742.05	\$ 58,742.05	\$ 62,072.68	\$ 62,072.68
Billing	\$ 13,937.50	\$ 7,750.34	\$ 7,750.34	\$ 8,294.37	\$ 8,294.37	\$ 13,937.50	\$ 7,750.34	\$ 7,750.34	\$ 8,294.37	\$ 8,294.37
Administrative	\$ 8,672.20	\$ 9,050.00	\$ 9,486.00	\$ 9,943.31	\$ 10,422.99	\$ 8,672.20	\$ 9,050.00	\$ 9,486.00	\$ 9,943.31	\$ 10,422.99
Services	\$ 8,465.69	\$ 8,851.00	\$ 9,116.53	\$ 2,801.84	\$ 2,885.89	\$ 8,465.69	\$ 8,851.00	\$ 9,116.53	\$ 2,801.84	\$ 2,885.89
Maintenance	\$ 21,114.20	\$ 24,000.00	\$ 25,308.00	\$ 26,703.18	\$ 28,192.25	\$ 21,114.20	\$ 24,000.00	\$ 25,308.00	\$ 26,703.18	\$ 28,192.25
Power/Electricity	\$ 6,690.73	\$ 7,118.94	\$ 7,368.10	\$ 7,625.98	\$ 7,892.89	\$ 6,690.73	\$ 7,118.94	\$ 7,368.10	\$ 7,625.98	\$ 7,892.89
General & Administrative	\$ 23,410.78	\$ 38,964.19	\$ 40,087.92	\$ 25,862.83	\$ 26,725.92	\$ 23,410.78	\$ 38,964.19	\$ 40,087.92	\$ 25,862.83	\$ 26,725.92
Administrative Costs	\$ 2,807.20	\$ 2,891.42	\$ 2,978.16	\$ 3,067.50	\$ 3,159.53	\$ 2,807.20	\$ 2,891.42	\$ 2,978.16	\$ 3,067.50	\$ 3,159.53
Web Site & Digital	\$ 1,507.32	\$ 1,552.54	\$ 1,599.12	\$ 1,647.09	\$ 1,696.50	\$ 1,507.32	\$ 1,552.54	\$ 1,599.12	\$ 1,647.09	\$ 1,696.50
Office Supplies	\$ 98.16	\$ 101.10	\$ 104.14	\$ 107.26	\$ 110.48	\$ 98.16	\$ 101.10	\$ 104.14	\$ 107.26	\$ 110.48
Dues & Memberships	\$ 869.00	\$ 895.07	\$ 921.92	\$ 949.58	\$ 978.07	\$ 869.00	\$ 895.07	\$ 921.92	\$ 949.58	\$ 978.07
Conference Expenses	\$ 207.72	\$ 213.95	\$ 220.37	\$ 226.98	\$ 233.79	\$ 207.72	\$ 213.95	\$ 220.37	\$ 226.98	\$ 233.79
Fees	\$ 125.00	\$ 128.75	\$ 132.61	\$ 136.59	\$ 140.69	\$ 125.00	\$ 128.75	\$ 132.61	\$ 136.59	\$ 140.69
State Regulatory Costs	\$ 1,139.58	\$ 1,173.77	\$ 1,208.98	\$ 1,245.25	\$ 1,282.61	\$ 1,139.58	\$ 1,173.77	\$ 1,208.98	\$ 1,245.25	\$ 1,282.61
Financial	\$ 3,985.00	\$ 19,420.00	\$ 19,994.60	\$ 5,643.90	\$ 6,377.61	\$ 3,985.00	\$ 19,420.00	\$ 19,994.60	\$ 5,643.90	\$ 6,377.61
Accounting Services	\$ 3,985.00	\$ 4,420.00	\$ 4,994.60	\$ 5,643.90	\$ 6,377.61	\$ 3,985.00	\$ 4,420.00	\$ 4,994.60	\$ 5,643.90	\$ 6,377.61
Independent Corp Audit	\$ -	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -
Insurance	\$ 6,979.00	\$ 6,979.00	\$ 7,406.18	\$ 7,406.18	\$ 7,406.18	\$ 6,979.00	\$ 6,979.00	\$ 7,406.18	\$ 7,406.18	\$ 7,406.18
Mortgage	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Public Utility Memberships	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Water	\$ 169,670.00	\$ 173,533.80	\$ 178,552.25	\$ 118,071.38	\$ 118,091.20	\$ 169,670.00	\$ 173,533.80	\$ 178,552.25	\$ 118,071.38	\$ 118,091.20
Water Tank Annual Lease	\$ 116.00	\$ 121.80	\$ 127.89	\$ 134.28	\$ 141.00	\$ 116.00	\$ 121.80	\$ 127.89	\$ 134.28	\$ 141.00
Water Tank Landscape	\$ 400.00	\$ 412.00	\$ 424.36	\$ 437.09	\$ 450.20	\$ 400.00	\$ 412.00	\$ 424.36	\$ 437.09	\$ 450.20
PWS-5 Loan Obligations					\$ 117,500.00	\$ 117,500.00				
Bulk Water	\$ 169,154.00	\$ 173,000.00	\$ 178,000.00			\$ 169,154.00	\$ 173,000.00	\$ 178,000.00		
Projects	\$ 20,049.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ 20,049.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -
Capital Improvement										
FWS Phase-1	\$ 20,049.00	\$ 50,000.00	\$ 25,000.00			\$ 20,049.00	\$ 50,000.00	\$ 25,000.00		
FWS Phase-2			\$ 25,000.00							
Other										
Net Operating Cash	\$ (7,516.60)	\$ (53,203.70)	\$ (31,604.58)	\$ 6,841.07	\$ 3,638.44	\$ (7,516.60)	\$ (53,203.70)	\$ (31,604.58)	\$ 6,841.07	\$ 3,638.44
Operating Reserves	\$ 59,673.00	\$ 52,156.40	\$ (1,047.30)	\$ (32,651.88)	\$ (25,810.81)	\$ 59,673.00	\$ 52,156.40	\$ (1,047.30)	\$ (32,651.88)	\$ (25,810.81)
Net Operating Balance	\$ 52,156.40	\$ (1,047.30)	\$ (32,651.88)	\$ (25,810.81)	\$ (22,172.37)	\$ 52,156.40	\$ (1,047.30)	\$ (32,651.88)	\$ (25,810.81)	\$ (22,172.37)
Management Reserve	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00
Net Cash	\$ 156,156.40	\$ 102,952.70	\$ 71,348.12	\$ 78,189.19	\$ 81,827.63	\$ 156,156.40	\$ 102,952.70	\$ 71,348.12	\$ 78,189.19	\$ 81,827.63