



Brazos River Authority



Brazos
— ★ —
RIVER AUTHORITY



Brazos River Authority



Welcome to our 2023 Annual Customer Meeting

*Presented by
David Collinsworth
General Manager/CEO*

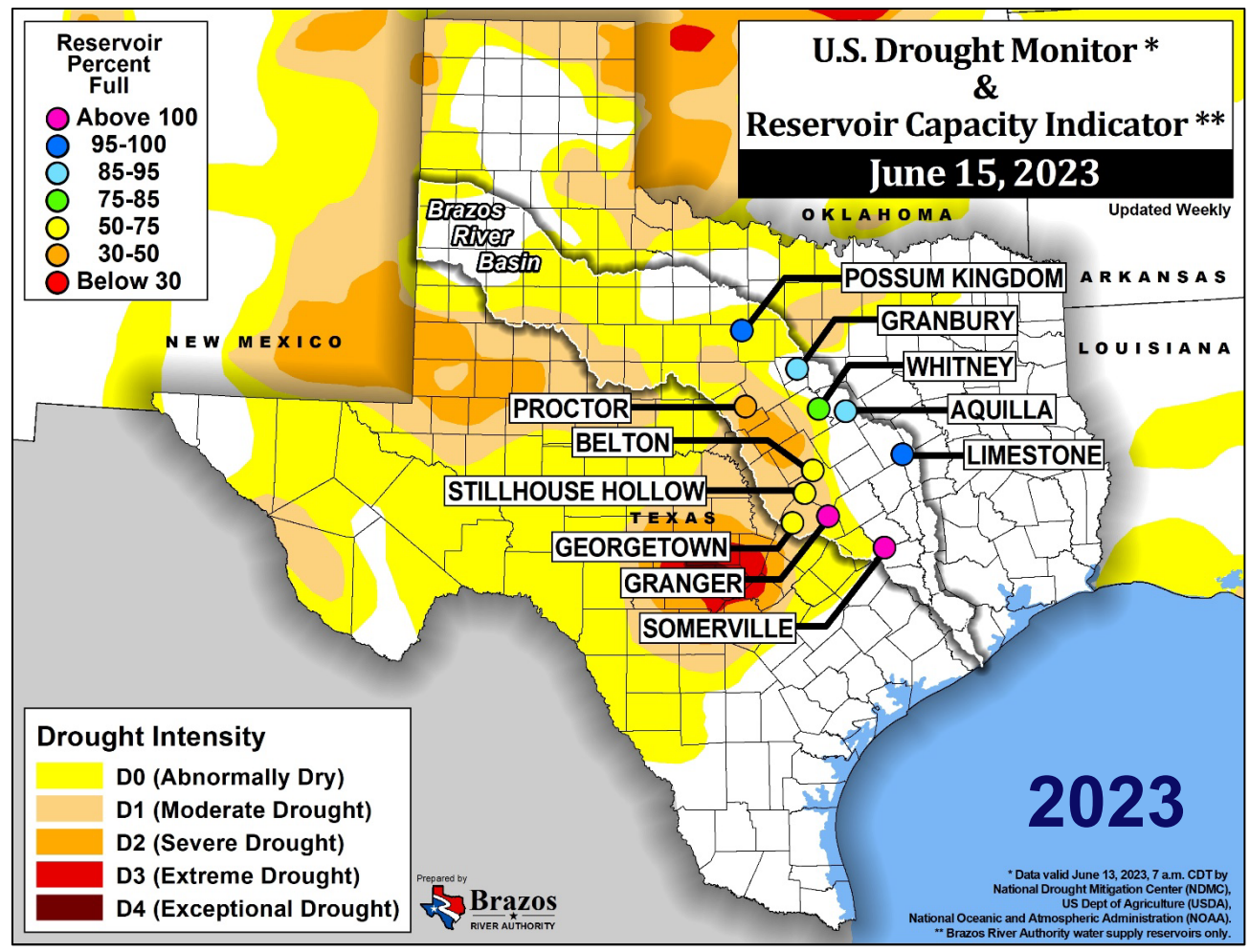
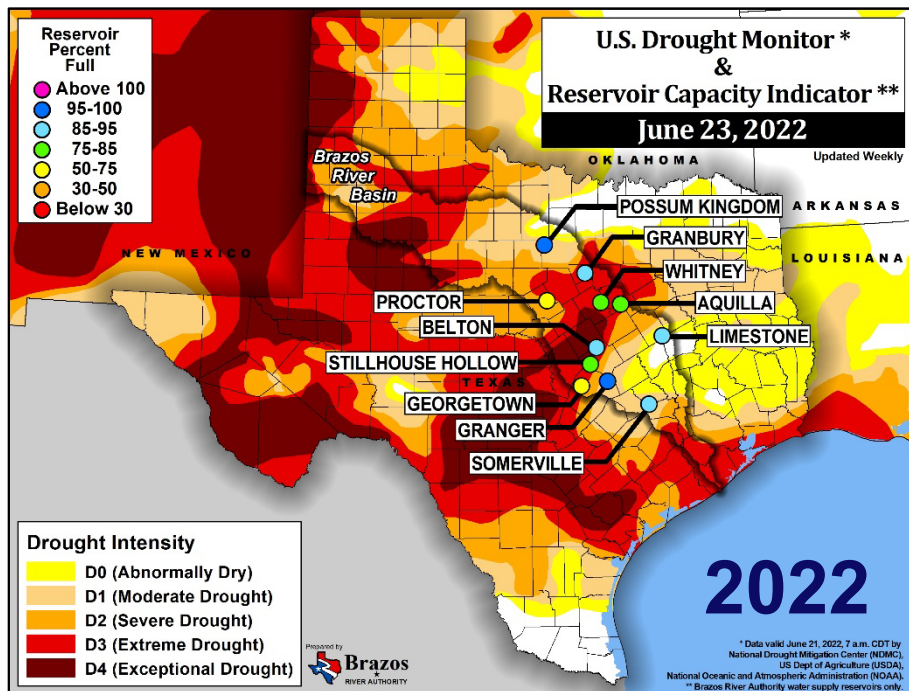
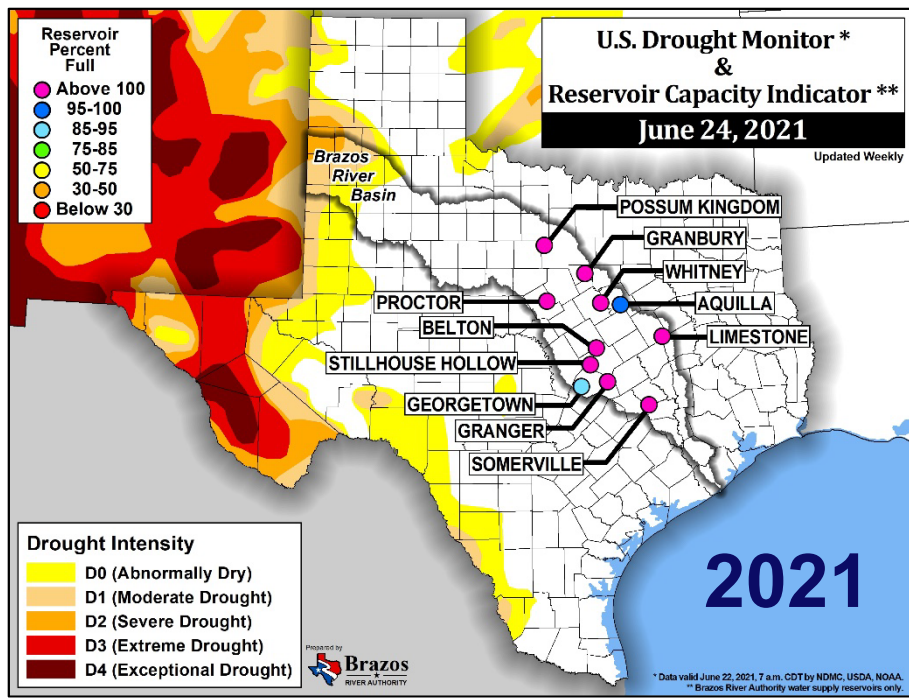


Water Supply Update

***Presented by
Aaron Abel
Water Services Manager***

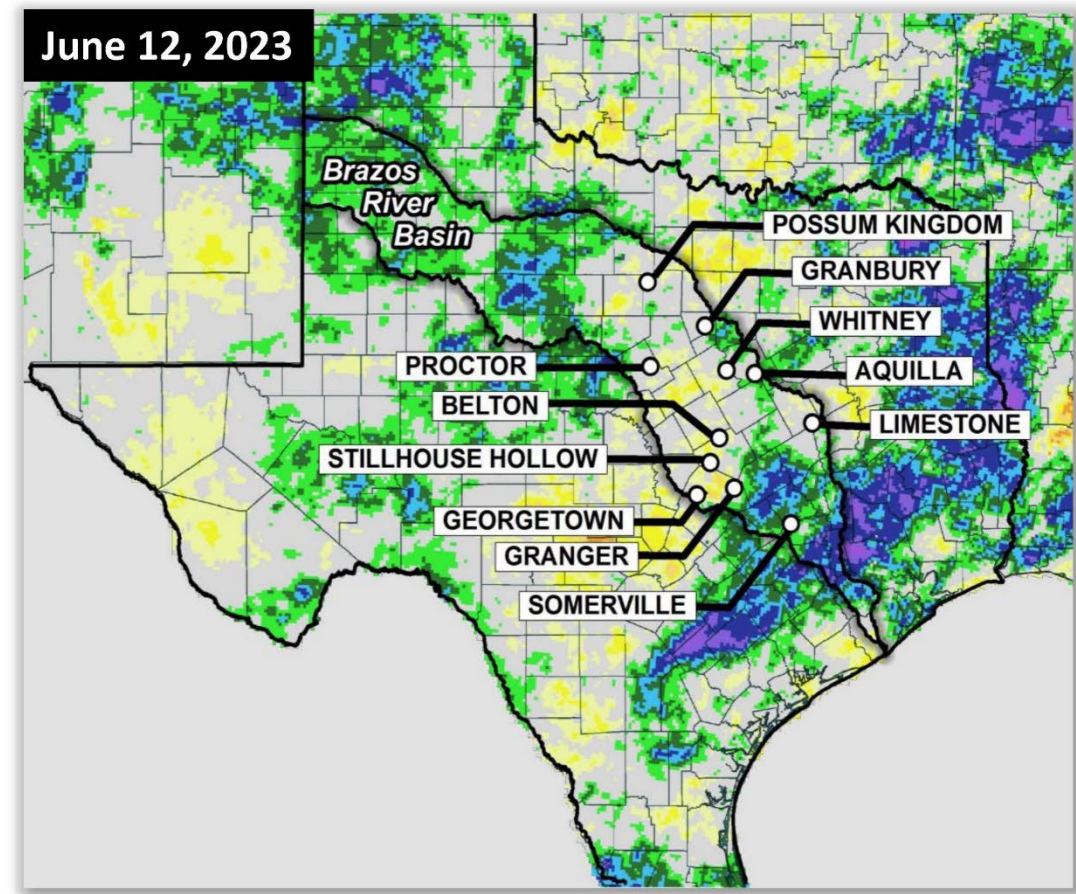
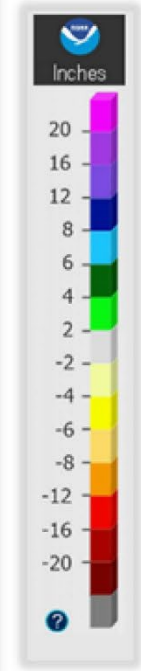
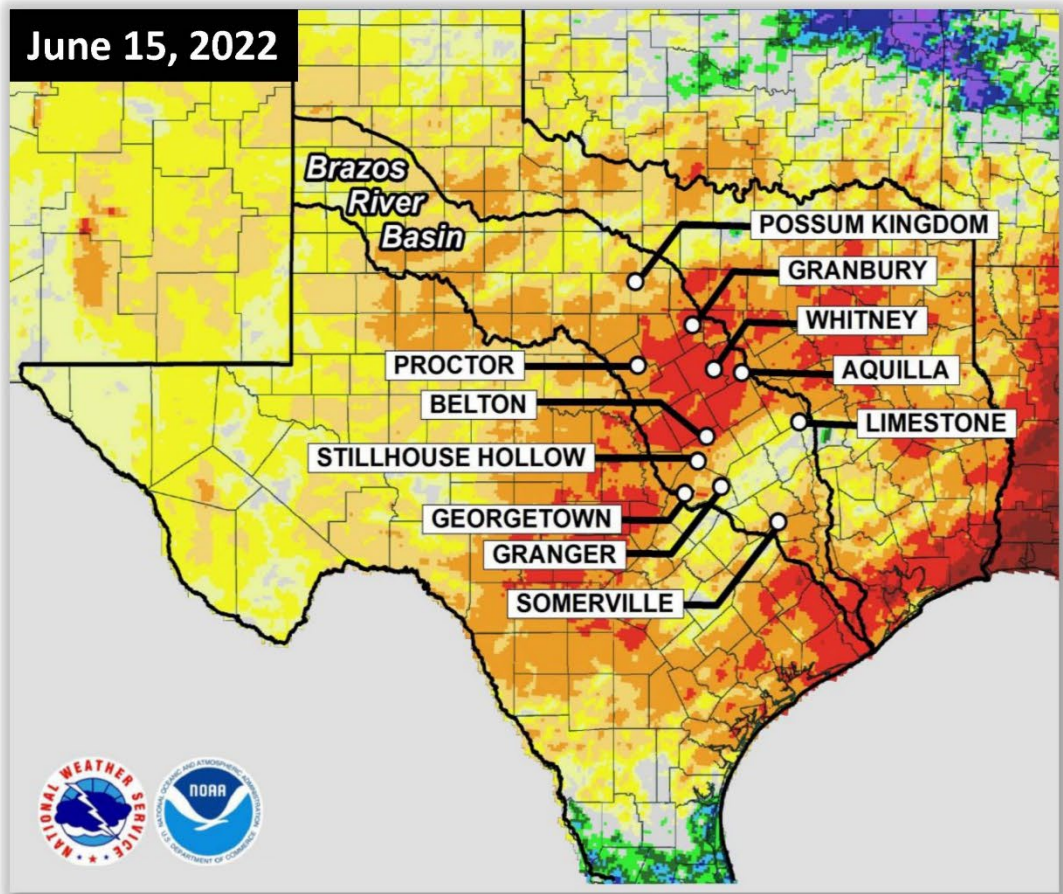


Drought Monitor & Reservoir Status



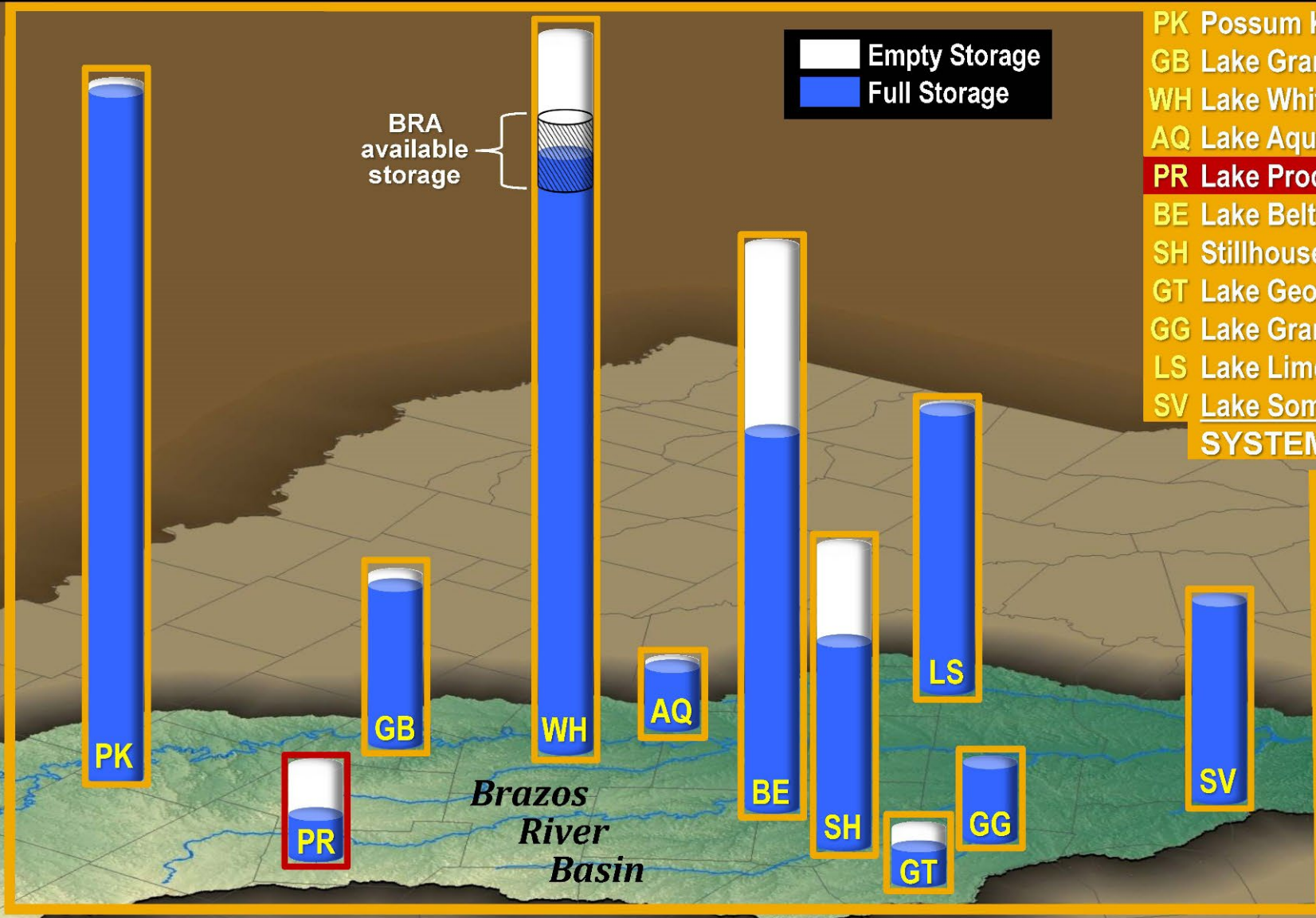


Departure from Normal Rainfall Since October 1st



BRA Water Supply Reservoirs "PERCENT FULL" June 14, 2023

Combined Storage of Authority System is Below Stage 1 Drought Watch Storage Trigger



Empty Storage
 Full Storage

	% Full	2 Week % Change	Drawdown**	2 Week Change (ft)
PK Possum Kingdom Lake	99%	+12%	- 0.2	+3.7
GB Lake Granbury	93%	+1%	- 1.2	+0.2
WH Lake Whitney	*83%	0%	- 4.6	+0.1
AQ Lake Aquilla	92%	+5%	- 1.1	+0.8
PR Lake Proctor	45%	0%	- 8.5	- 0.1
BE Lake Belton	67%	- 1%	- 12.8	- 0.2
SH Stillhouse Hollow Lake	68%	- 1%	- 13.2	- 0.5
GT Lake Georgetown	66%	- 1%	- 11.3	- 0.3
GG Lake Granger	102%	0%	0.0	0.0
LS Lake Limestone	99%	0%	- 0.1	0.0
SV Lake Somerville	106%	- 11%	0.0	- 1.3
SYSTEM TOTAL	84%	+3%		

* Total Lake Whitney storage.
 BRA available storage is 47% full
 ** Feet below full

- Stage 1 Drought Watch
- Stage 2 Drought Warning
- Stage 3 Drought Emergency
- Stage 4 Pro-rata Curtailment

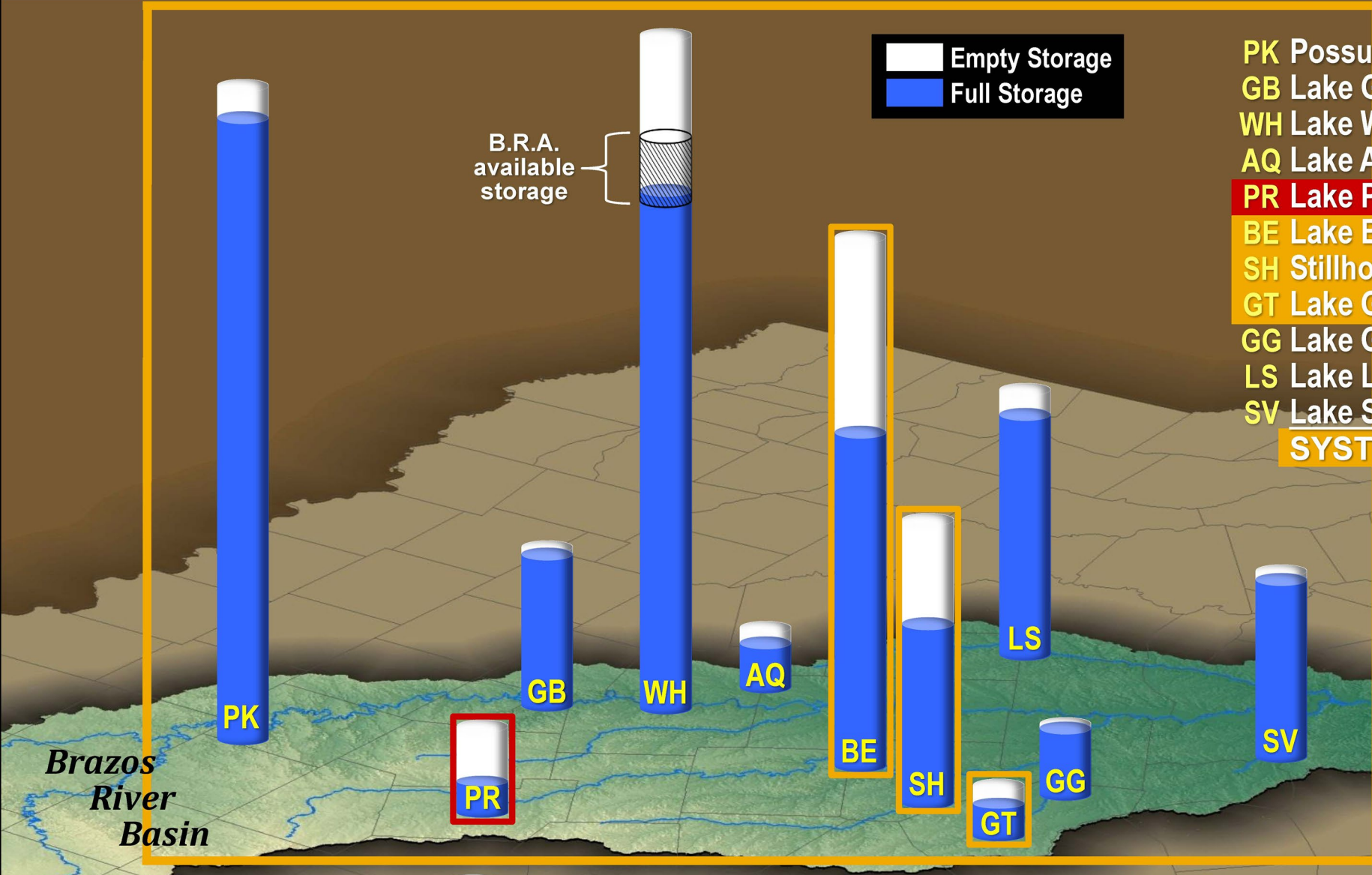


Updated Weekly



Projected Reservoir Status for July 31, 2023 (based on minimum inflows and high evaporation)

Combined Storage of Authority System is Below Stage 1 Drought Watch Storage Trigger



Empty Storage
 Full Storage

B.R.A. available storage

	% Full	Drawdown**
PK Possum Kingdom Lake	95%	- 1.6
GB Lake Granbury	95%	- 0.9
WH Lake Whitney	*77%	- 6.2
AQ Lake Aquilla	78%	- 3.3
PR Lake Proctor	36%	- 10.6
BE Lake Belton	63%	- 14.8
SH Stillhouse Hollow Lake	63%	- 15.6
GT Lake Georgetown	63%	- 12.2
GG Lake Granger	93%	- 0.8
LS Lake Limestone	90%	- 1.6
SV Lake Somerville	96%	- 0.6
SYSTEM TOTAL	79%	

* Lake Whitney total storage.
 BRA available storage would be 21% full.
 ** Feet below full

- Stage 1 Drought Watch
- Stage 2 Drought Warning
- Stage 3 Drought Emergency
- Stage 4 Pro-rata Curtailment

Estimated on 06/05/2023

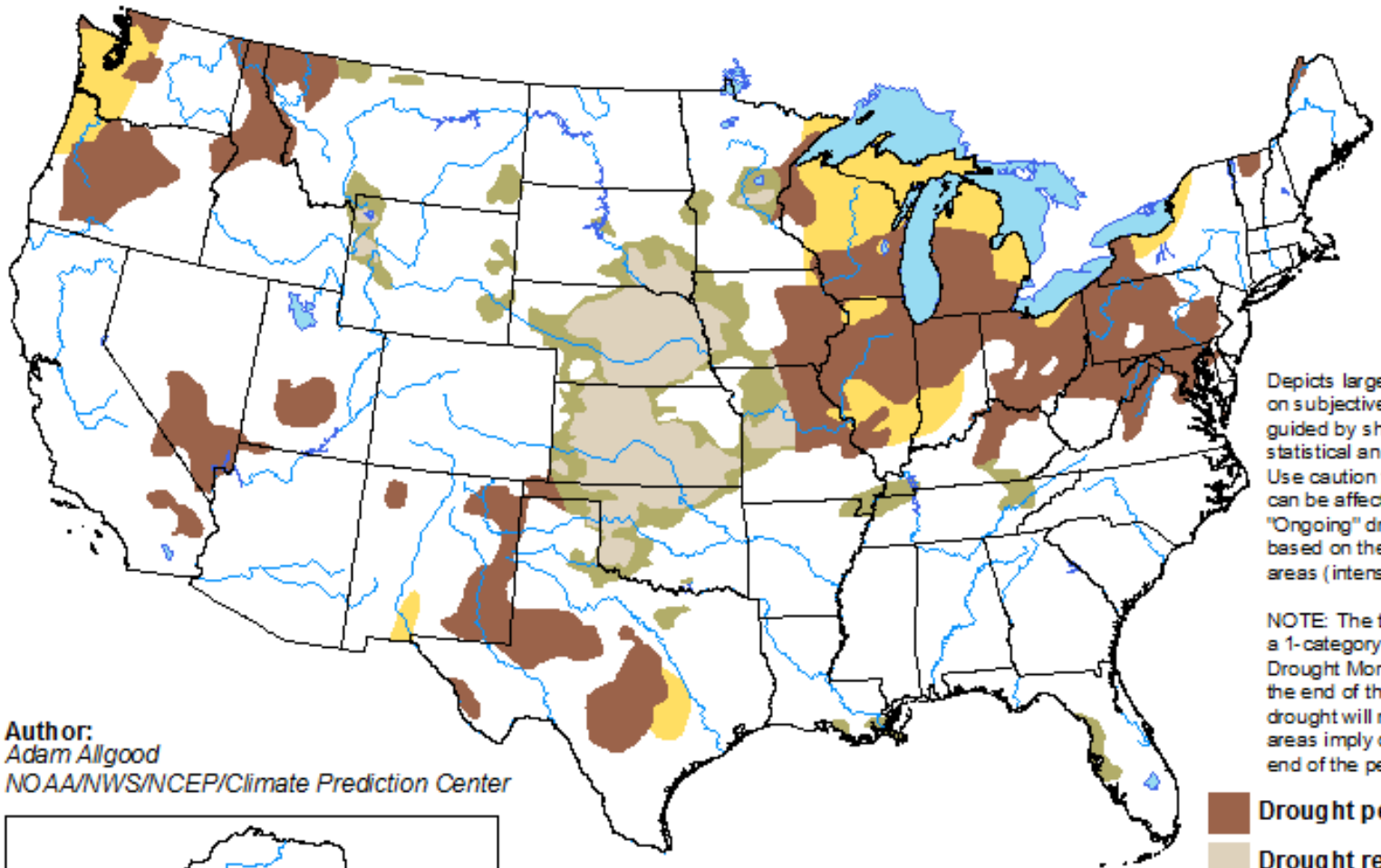




U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for June 15 - September 30, 2023
Released June 15

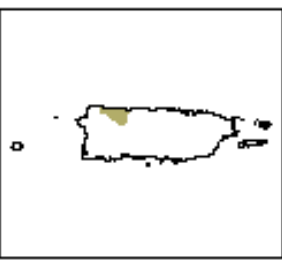
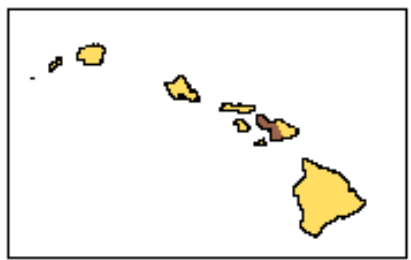
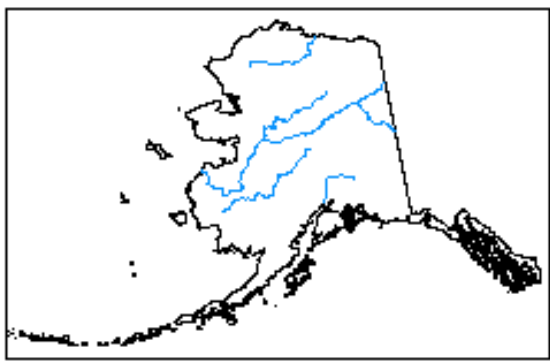


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely

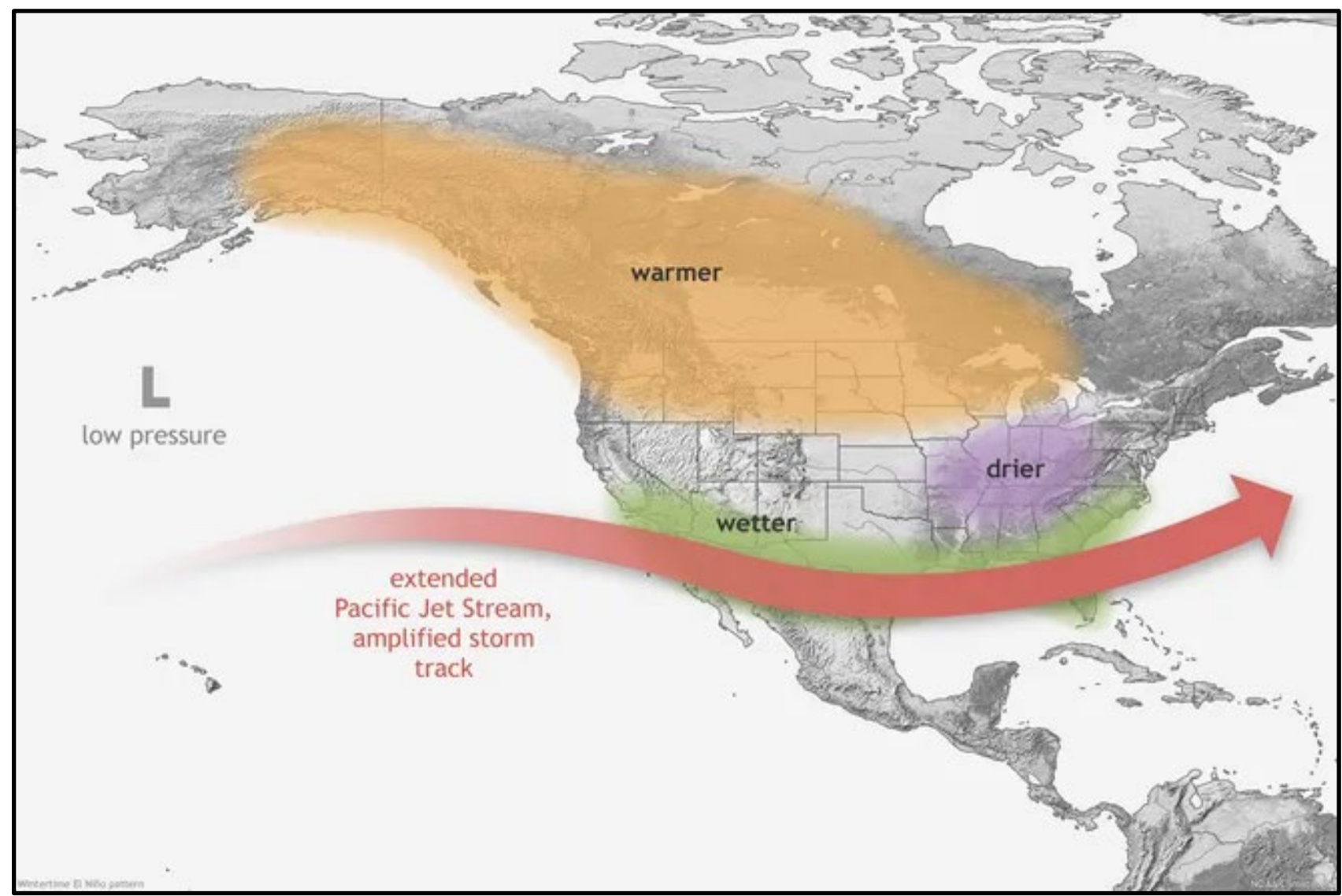
Author:
Adam Allgood
NOAA/NWS/NCEP/Climate Prediction Center



<http://go.usa.gov/3eZ73>



Potential El Niño Impacts





Updates to Drought Contingency Plan and Water Conservation Plan

- **Five-year updates required by Texas Admin. Code, Title 30, Chapter 288**
- **Due May 1, 2024**
- **Both plans to be submitted to Texas Commission on Environmental Quality and Texas Water Development Board**
- **Coordinated with the Regional Water Planning Process**



2022 Annual Water Use & Reservoir Accounting Summary

Now Available on BRA Website

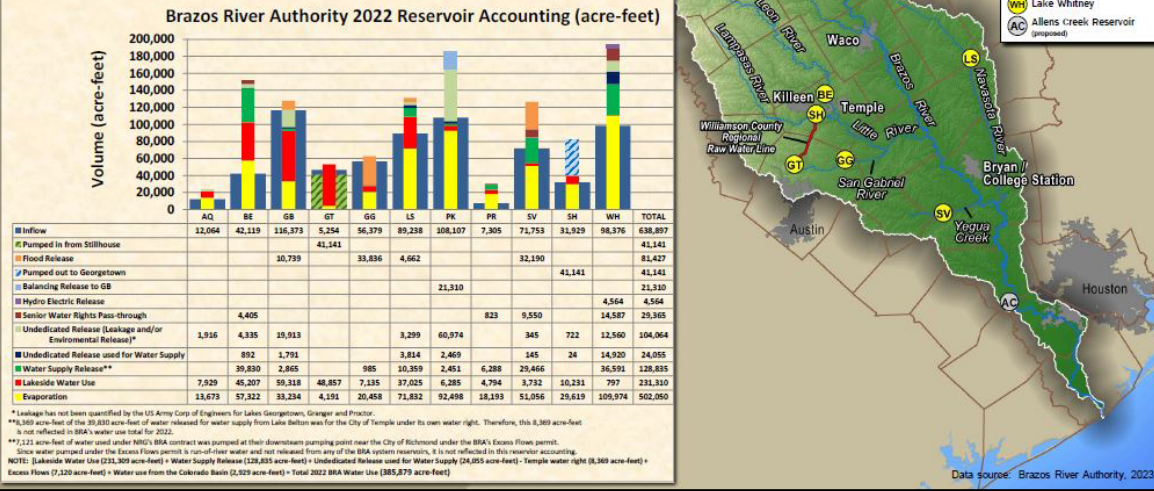
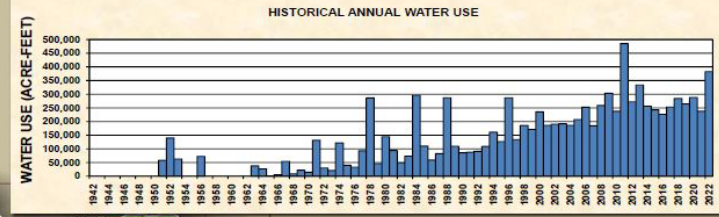
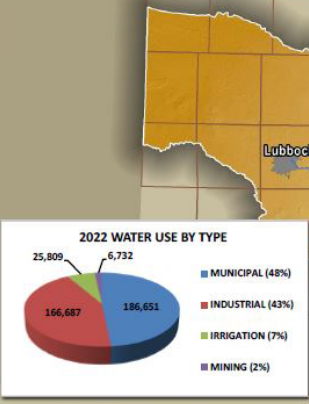


2022 Customer Water Use and Reservoir Accounting Summary

2022 WATER USE BY NEW CUSTOMERS FROM RESERVOIR WATER RIGHTS	VOLUME (ACRES-FEET)
POSSUM KINGDOM LAKE	
DOUBLE DIAMOND PROPERTIES, INC.	305
POSSUM KINGDOM INC.	1,343
BAND OWNERS ASSOCIATION	299
ROCKERS LAND & CATTLE COMPANY, LLC	42
SPORTSMAN'S WORLD MID.	331
TEXAS PAPER & WOODPULP CORP.	3,338
WEST CENTRAL BRAZOS PIPELINE SUBSTATION	1,765
SUBTOTAL	6,372
BRAZOS RIVER BELOW POSSUM KINGDOM LAKE	
FARMER COUNTY SUG.	159
SUGAR TREE, INC.	137
VILLAGE COND. MATERIAL L.P.	1,485
2ST LAND AND CATTLE, LLC	2
SUBTOTAL	2,542
LAKE GRANBURY	
ACTION MUNICIPAL UTILITY DIST.	35
BRAZOS REGIONAL PUBLIC UTILITY AGENCY	3,902
COUNTY OF SOMERVELL	135
DECORDOVA BOND ESTATE OWNERS	185
GRANBURY RECREATIONAL ASSOC.	46
GRANBURY, CITY OF	1,524
KING RANCH TURFGRASS, L.P.	192
LAKE AT TIMBER COVE POA, INC.	81
LEWIS, INC.	2,358
LOWELL UNDERWOOD	50
PECAN PARTITION OWNERS ASSOC.	211
TEXAS WATER UTILITIES, L.P.	445
LUMINANT ELECTRIC COMPANY	46,335
WOLF HOLLOW CREEK, LLC	2,138
SUBTOTAL	56,930
BRAZOS RIVER BELOW LAKE GRANBURY	
DOUBLE DIAMOND PROPERTIES, INC.	58
LAKE WHITNEY	6
WHITE SULPHUR PROPERTY OWNERS ASSOC.	496
SUBTOTAL	650
BRAZOS RIVER BELOW LAKE WHITNEY	
ALL SEASONS TURF GRASS	32
CALPINE SOLIDITY ENERGY CENTER, LLC	3,887
DOMO CHEMICAL COMPANY	7,962
GULF COAST WATER AUTH.	35,989
HORIZON TURF GRASS, INC.	745
KING RANCH TURFGRASS, L.P.	554
LORNAI, CITY OF	718
MARLBOROUGH, CITY OF	899
NEHUAGUS TRUSTS PARTNERSHIP	334
NEO TEXAS, LLC	22,078
RICHMOND, CITY OF	2,435
SUBTOTAL	75,273
LAKE AQUILLA	
AQUILLA WATER SUPPLY DISTRICT	3,004
CEDAR RAPIDS, CITY OF	4,323
SUBTOTAL	7,327
LAKE PROCTOR	
LAKE PROCTOR IRRIGATION AUTH.	1,344
UPPER LEON RIVER WARD	3,074
SUBTOTAL	4,418
LAKE RIVER BELOW LAKE PROCTOR	
LAKE PROCTOR IRRIGATION AUTH.	1,055
NORTH LEON RIVER IRRIGATION COOP.	4,472
SUBTOTAL	5,527
LAKE BELTON	
455 WATER SUPPLY CORP.	710
BELL CO. WATER SUPPLY CORP.	34,932
BULLINGTON WATER SUPPLY CORP.	1,472
CORRELL CITY WATER SUPPLY DIST.	300
FOOT GATE WSC	30
GATEWAY, CITY OF	4,768
HARBOR HEIGHTS, CITY OF	853
THE CROOK WATER SUPPLY CORP.	171
SUBTOTAL	45,334
LAKE RIVER BELOW LAKE BELTON	
TEMPLE, CITY OF	13,930
218 PROPERTY, LP	4,094
WILSONVILLE COUNTRY CLUB, INC.	240
SUBTOTAL	17,304
LAKE STELLER HOLLOW	
CENTRAL TEXAS WATER SUPPLY CORP.	4,687
LABELL-GARDNER WATER SUPPLY CORP.	83
MEMPHIS WATER SUPPLY CORP.	3,022
LAMPASAS, CITY OF	2,995
SHAWDO WATER SUPPLY CORP.	753
SUBTOTAL	10,539
LAKE GEORGETOWN	
BRELSHAY CREEK MID	3,800
GEORGETOWN, CITY OF	20,346
ROUND ROCK, CITY OF	35,113
SUBTOTAL	69,259
LAKE GRANBY	
SUPP WILLIAMSON CO. REGIONAL WATER SYSTEM	7,135
SUBTOTAL	7,135
LAKE LIMESTONE	
MRS TEXAS, LLC	12,885
SIC WATER SUPPLY	309
CONSTRUCTION COMPANY	35,929
LUMINANT SPECIAL UTILITY DIST.	86,920
SUBTOTAL	135,943
NAVAGATA RIVER BELOW LAKE LIMESTONE	
WELLSBORO SPECIAL UTILITY DIST.	1,424
SUBTOTAL	1,424
LAKE SOMERVELL	
LIBERTY HILL, CITY OF	562
ROUND ROCK, CITY OF	2,620
SUBTOTAL	3,182
TOTAL	385,879

2022 TOTAL WATER USE
385,879 Acre-Feet

2022 WATER USE BY INTERMEDIATE AND LARGER LOCAL CUSTOMERS FROM RESERVOIR WATER RIGHTS	VOLUME (ACRES-FEET)
POSSUM KINGDOM LAKE	
BE AT POSSUM KINGDOM, LLC	9
DANNETT OPERATING, LLC	1
HILL COUNTY WATER WARDEN OWNERS ASSOC., INC.	426
LAKESHORE HOME OWNERS	1
LAKESHORE LOCAL USE	237
WACO SEND MANCO, LTD	30
SUBTOTAL	734
BRAZOS RIVER BELOW POSSUM KINGDOM LAKE	
LAKE GRANBURY	347
THOMAS BRIDGE BRACK, LLC	21
SUBTOTAL	368
BRAZOS RIVER BELOW LAKE GRANBURY	
BRAZOS VALLEY GRASS, INC.	341
GRANBURY MATERIALS, LLC	822
HICKEY CONCRETE, LLC	147
KCS VENTURES dba TRU-TEX GRASS	156
ROY FARM AND RANCH, LLC (ROYA HOUSTON)	27
SUBTOTAL	1,713
LAKE WHITNEY	
DAVID ANDREWS	0.2
LAKESHORE LOCAL USE	6
WHITE SULPHUR PROPERTY OWNERS ASSOC.	294
SUBTOTAL	300
BRAZOS RIVER BELOW LAKE WHITNEY	
3-D FARMS	356
CHESAPEAKE ENERGY CORPORATION	345
COOP MILLER	112
CRENSHAW NURSERY, LLC	423
DOMO CHEMICAL COMPANY	20,900
GULF COAST WATER AUTH.	13,238
HORIZON TURF GRASS, INC.	1,150
JAMES K. BOYS	16
WATER ENGINE CORP.	400
KOTZLA FARM, LP	297
LEE PEECE VALLEY, LLC	75
MARCO LANDS & CATTLE, LLC	1,094
NEHUAGUS TRUSTS PARTNERSHIP	362
TULSA FARM, LLC	246
SUBTOTAL	46,833
LAKE PROCTOR	
ROBERT F. STEPHENS	156
SEAS BROTHERS	226
SUBTOTAL	470
LAKE RIVER BELOW LAKE PROCTOR	
NORTH LEON RIVER IRRIGATION COOP.	761
SUBTOTAL	761
LAKE BELTON	
LITTLE RIVER BELOW LAKE BELTON	274
AUSTON NATIONAL WATER RESERVE	179
BILL CURRY dba CURRY FARMS	34
ENERCON ENERGY	54
FLORENCE OZAN P. MARSDEN	156
KACER WHEELER, LLC	35
STANBARD ENTERPRISES, INC.	145
WILSONVILLE COUNTRY CLUB, INC.	649
SUBTOTAL	1,480
LAMPASAS RIVER BELOW STELLER HOLLOW	
THOMAS LOVACE	24
CRENSHAW FARM ENERGY, LLC	6
LAKESHORE LOCAL USE	305
SUBTOTAL	335
NAVAGATA RIVER BELOW LAKE LIMESTONE	
ANAPIC CORP.	330
COMSTOCK OIL & GAS, LLC	494
VECON CORPORATION	238
WILDFIRE ENERGY LLC	100
SUBTOTAL	1,162
LAKE SOMERVELL	
ANAPIC CORP.	3,360
GEORGETOWN II, LLC	4
IRONWOOD ENERGY PARTNERSHIP, LLC	100
SUBTOTAL	3,464
YELLA CREEK BELOW LAKE SOMERVELL	
GEORGETOWN II, LLC	145
SUBTOTAL	145
TOTAL	54,575



Data source: Brazos River Authority, 2023



Project Planning for the Fiscal Year 2024 Budget

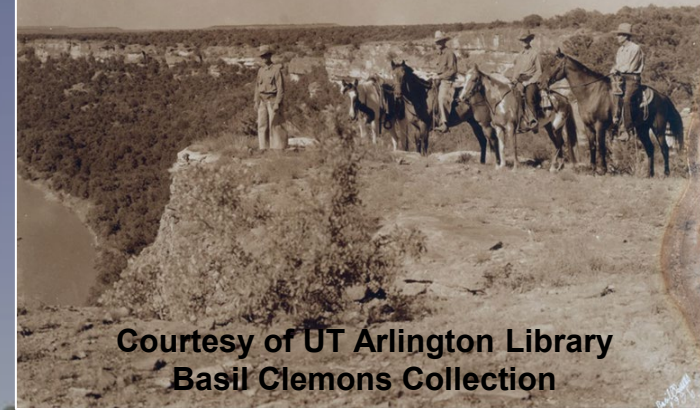
***Presented by
Steve Hamlin
Project Management
Office Manager***



Take-Aways

- Provide Brazos River Authority (BRA) customers insight into the project planning process for the FY 2024 Budget
- Highlight the BRA effort toward stewardship of our infrastructure and capital budget

Hell's Gate – Circa. 1936

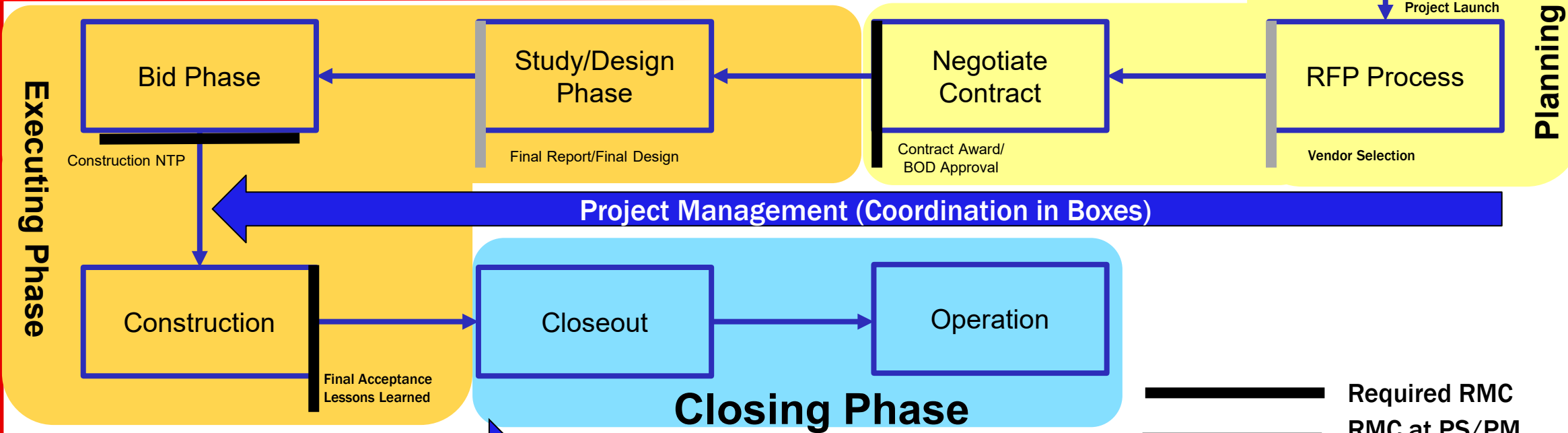
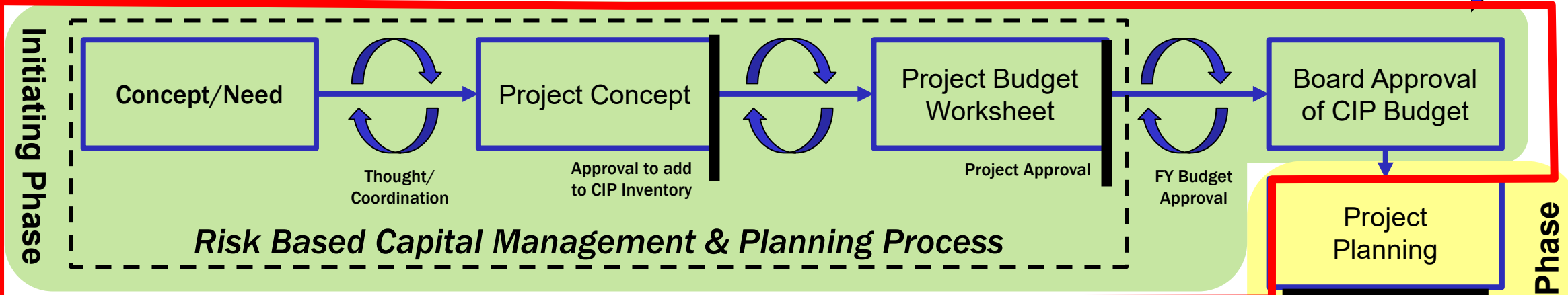


Courtesy of UT Arlington Library
Basil Clemons Collection



Project Delivery Assessment/Design/Construction

Capital Budget Management (Coordination on Lines)



Required RMC
 RMC at PS/PM Discretion



Sept

2022

Dec

Jan 2023

May

< Project Prioritization Began for FY 2024 Project Budget

BRA Prioritization Working Groups

- Prioritized Current and Future Projects
- **Developed FY start dates for near-term future projects (1-6 years)**
- **Developed long-term project plan (50 year look ahead)**

BRA Capital Improvement Plan (CIP)

< Risk Management Committee: Approved Project Inventory & CIP

< F&A Budget Office kicked off budget planning process

Project Budget Development

< Board of Directors received “first look” at the FY 2024 Annual Operating Plan (AOP)



Where Did We Start?

The BRA Inventory of Projects

- Project Inventory is a list of all BRA Capital Improvement and Operating Projects on a 50-year planning horizon
- Source document for BRA project planning
- Basis of project planning for FY 2024 Budget

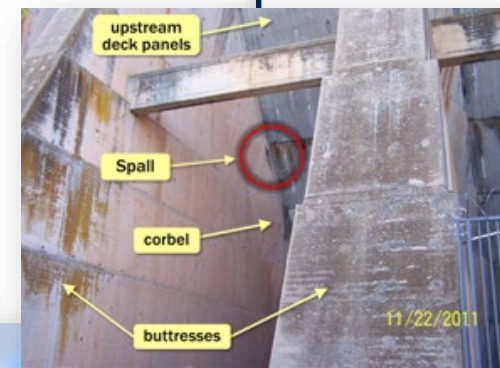
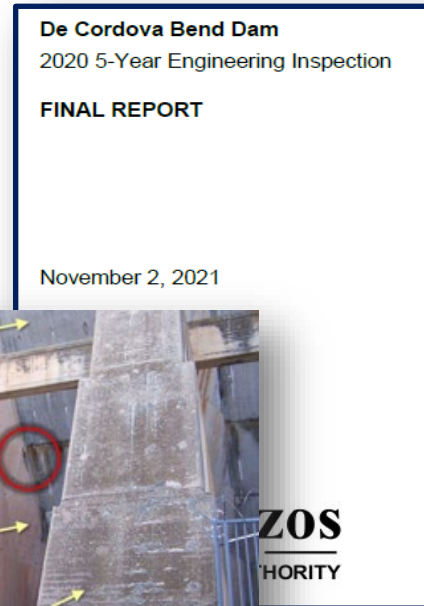
Brazos River Authority								
FY 2024								
Project Inventory (with updates)								
Project Name	Project Manager	Project Engineer	Project Sponsor	Primary Location	Secondary Location	Project Type	Funding Source	CIP or OP
BW-ES-Brazos Water Snake Study	Justin Grimm	n/a	Tiffany Malzahn	Basin Wide	Environmental Services	Studies/Assessments	Current Revenues	OP
BW-OS- Security and Vulnerability Assessment Updates	David Coston	n/a	Robert Starnes	Basin Wide	Safety & Security	Studies/Assessments	Current Revenues	OP
Planning and Management Support	David Jones	Mike Green	Blake Kettler	Basin Wide	Technical Services	Studies/Assessments	Current Revenues	OP
BW-WS-Brazos River Alluvium Study	Aaron Abel	n/a	Aaron Abel	Basin Wide	Water Services	Studies/Assessments	Current Revenues	OP
BW-WS-COE Pool Rise Construction - Aquilla	Aaron Abel	n/a	Brad Brunett	Central Basin	Water Services	New Water	Bonds/Debt	CIP
BW-WS-Integrated Water Resources Plan	Jon King	n/a	Jon King	Basin Wide	Water Services	Studies/Assessments	Current Revenues	OP
CB-BE-Belhouse Drought Preparedness	Mandy Cullar	David Jones	Brad Brunett	Central Basin	Lake Belton	New Infrastructure	Reserves/Debt	CIP
CB-EW-EWC WTP Intake Slope Stabilization	Jared Gallo	Wesley Williams	Brad Brunett	Central Basin	EWCRRWS	Infrastructure Maintenance	Current Revenues/Reserves	CIP
CB-EW-EWCRRWS Expansion Phase II	Mandy Cullar	Mike Green	Brad Brunett	Central Basin	EWCRRWS	New Infrastructure	Reserves/Debt	CIP
CB-GR-Lake Granger Intake Future Expansion	Mandy Cullar	Mike Green	Brad Brunett	Central Basin	Lake Granger	New Infrastructure	Reserves	CIP
CB-OT-Lake Somerville Augmentation Construction	Mandy Cullar	TBA	Brad Brunett	Central Basin	Lake Somerville	New Water	Reserves/Debt	CIP
CB-OT-Trinity Groundwater	Mandy Cullar	David Jones	Brad Brunett	Central Basin	Other	New Water	Reserves/Debt	CIP
CB-WCR-WCRRWL Copper Ion Generator	Amy Muttoni	Mike Green	Brad Brunett	Central Basin	WCRRWL	Water Distribution	n/a	CIP
CB-WCR-WCRRWL Phase 3 Pumps	Amy Muttoni	Mike Green	Brad Brunett	Central Basin	WCRRWL	Water Distribution	n/a	CIP
CB-WH-Lake Whitney Reallocation Construction	Mandy Cullar	n/a	Brad Brunett	Central Basin	Lake Whitney	New Water	Bonds/Debt	CIP

FY 2024 Project Prioritization

Project Prioritization - systematic review of projects to classify them according to attributes approved by Management Team

Process

- Stakeholders developed 17 key attributes to measure/score projects
- Departments score projects via working group meetings
- Based on Department scoring and input, Joint Stakeholder Group developed a project plan and submitted to the Risk Management Committee





Project Budget Estimating

- **Active Projects (Design or Construction Contracts in-place)**
 - Actual contract amounts divided into Fiscal Year cashflow according to project phase
 - Opinions of Probable Construction Costs divided into Fiscal Year cashflow according to planned construction schedule
- **Future Projects (Planned start 1- 50 years out)**
 - Compare project costs from a similar project completed by the BRA and apply escalation formula
 - Collaborate with partner river authorities and districts for project costs estimation

Next Steps

- **June 20-22: Present first-look at the FY 2024 Budget to Customers**
- **July 31: Seek Board Approval for FY 2024 AOP**
- **September 1: FY 2024 Budget goes into effect**



Annual Operating Plan



Brazos
River Authority

September 1, 2022 – August 31, 2023



Update on Risk-Based Asset Management & Capital Improvement Planning

***Presented by
David Jones
Capital Improvement
Planning Administrator***



Capital Improvement Planning (CIP)

- Extend our outlook from 5-year window to a 50-year horizon
- Provide stability to system rate
- Include business continuity and resiliency
- Consider Basins/Technical Services priorities
- Resource availability
- Assessment recommendations
- Input from other sources

MicroMain (Current System)

- Asset Maintenance Management Software
- Tracks asset costs, preventative/demand and maintenance work orders, labor tracking, warranty and parts



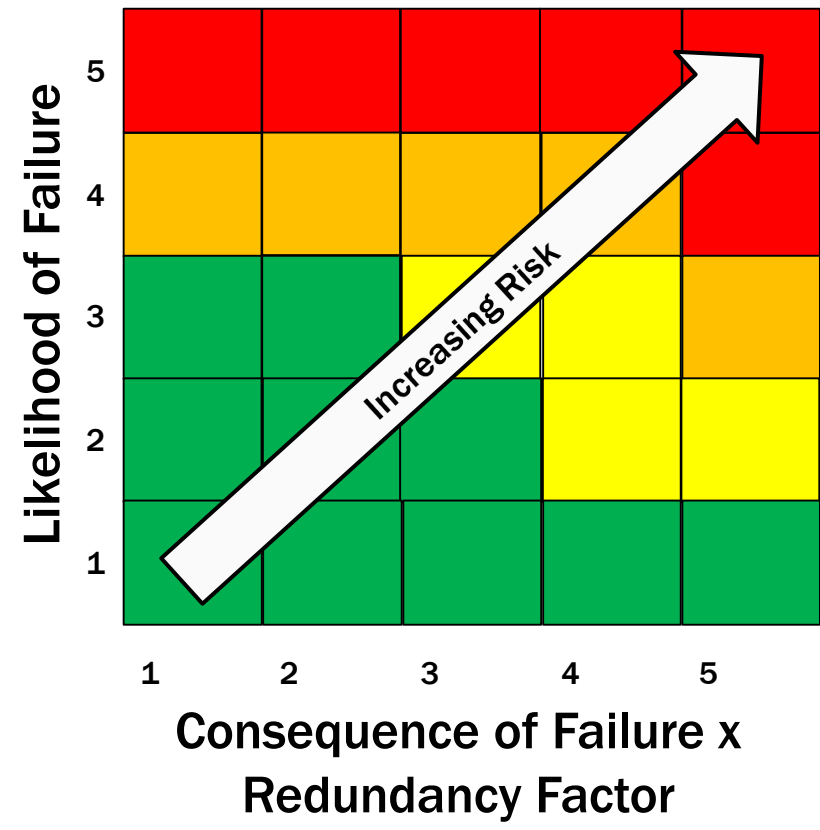
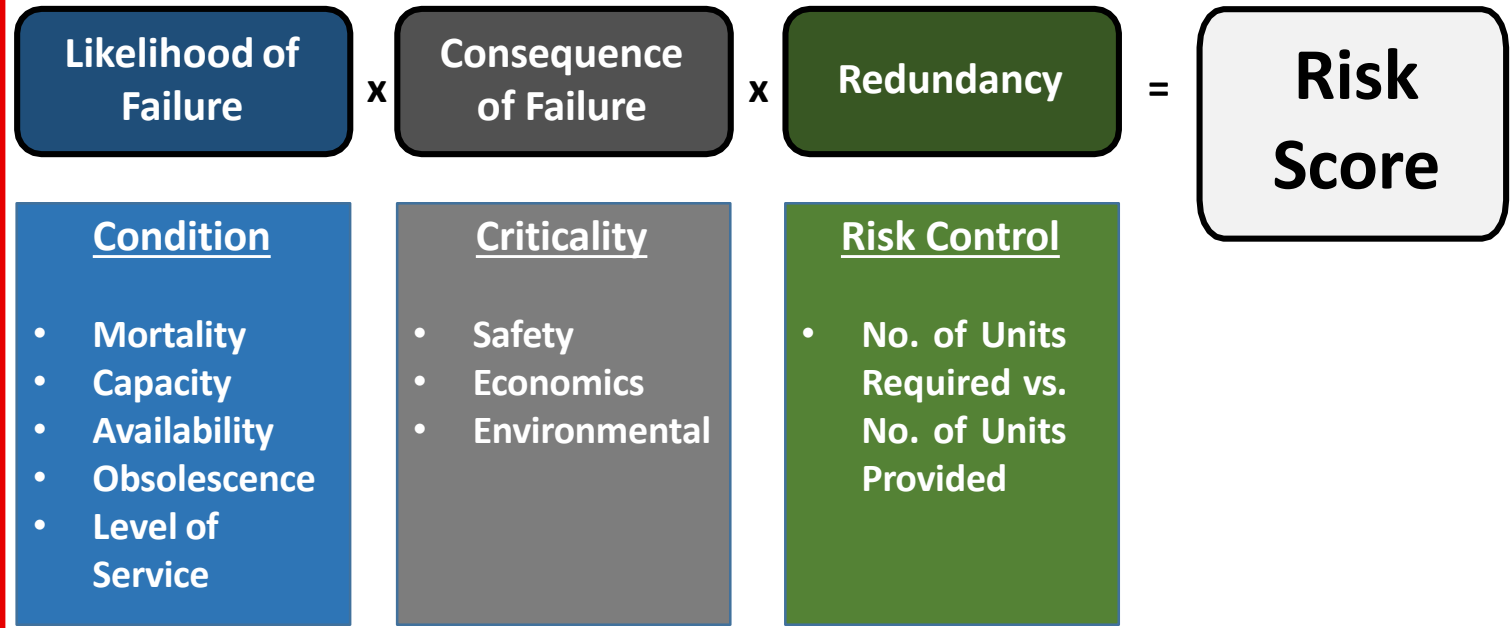
Risk-Based Capital Management

Objectives

- **Improve decision-making on asset renewal through improved prioritization of assets based on risk**
- **Improve long-term capital forecasting through improved assessment of renewal needs**



Identifying Asset Risks





Scope of Services

- 1. Develop Risk-Based Asset Management Program (AMP) Framework**
- 2. Asset Management/Capital Improvement Planning (CIP) Software System Selection**
- 3. Pilot Programs at Possum Kingdom (PK) Lake and East Williamson County Regional Water System (EWCRWS)**
- 4. Apply the AMP Across all BRA Assets**
- 5. Develop Long-Range and CIP**



What Happens Next?

- **AMP/CIP Software System**
 - ***June 16:** Advertise Request for Proposal for AMP software selection*
 - ***August 17:** Receive proposals*
 - ***Sept-October:** Demonstration interviews with short listed vendors*
 - ***FY 2024:** Select and negotiate contract then implement the new AMP software*



What Happens Next? (cont.)

- **Pilot Programs at PK and EWCRWS**
 - ***June 27-29: PK non-dam asset inventory and condition assessment field work***
 - ***August-September: rank assets based on condition assessment results and risk scoring***
 - ***October-November: provide operation and maintenance recommendations***
- ***FY 2024 - Apply AMP across all BRA assets and develop long-range and CIP programs***



Fiscal Year 2024 Proposed Budget

***Presented by
David Thompson
Chief Financial Officer***

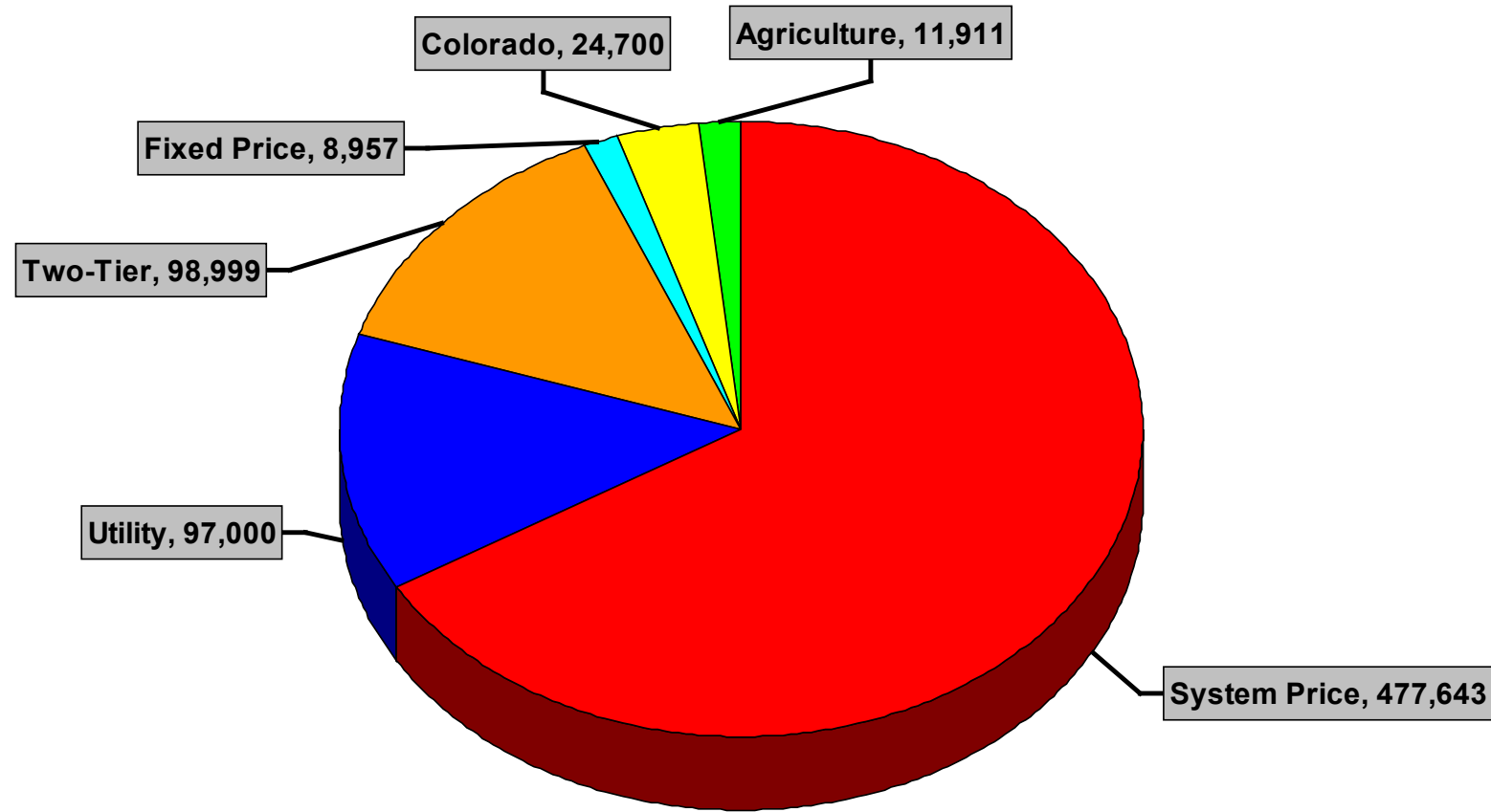


BRA Business Model

Elements of Ratemaking		FY 23 Budget (in 000's)	FY 24 Budget (in 000's)
Water Supply Expenses			
Water Supply O&M Expenditures		\$ 52,442	\$ 55,312
Water Supply Debt Service (subject to coverage)		2,537	4,468
Water Supply Debt Service (not subject to coverage)		1,587	1,574
Operating Project Expenditures		4,068	5,442
	Total Water Supply Expenses	\$ 60,634	\$ 66,796
Non-System Water Rate Revenues			
Non-System Water Revenues		(7,607)	(7,813)
Other Water Supply Revenues		(13,443)	(17,384)
	Total Non-System Water Rate Revenues	\$ (21,050)	\$ (25,197)
	Debt Coverage Requirement (1.3 ratio)	\$ 761	\$ 1,341
	Gross Financial Requirement	\$ 40,345	\$ 42,940
	Total System Water Billing Units (acre feet)	477,494	477,643
	Calculated System Rate (Gross Financial Requirement/Number of System Rate Units)	\$ 84.50	\$ 89.90
	Rate Stabilization Reserve Contribution	\$ 1,650	\$ 1,700
	Net Financial Requirement (Gross Financial Requirement less Rate Stabilization Fund Contribution)	\$ 41,995	\$ 44,640
	Effective System Rate (Net Financial Requirement/Number of System Rate Units)	\$ 88.00	\$ 93.50



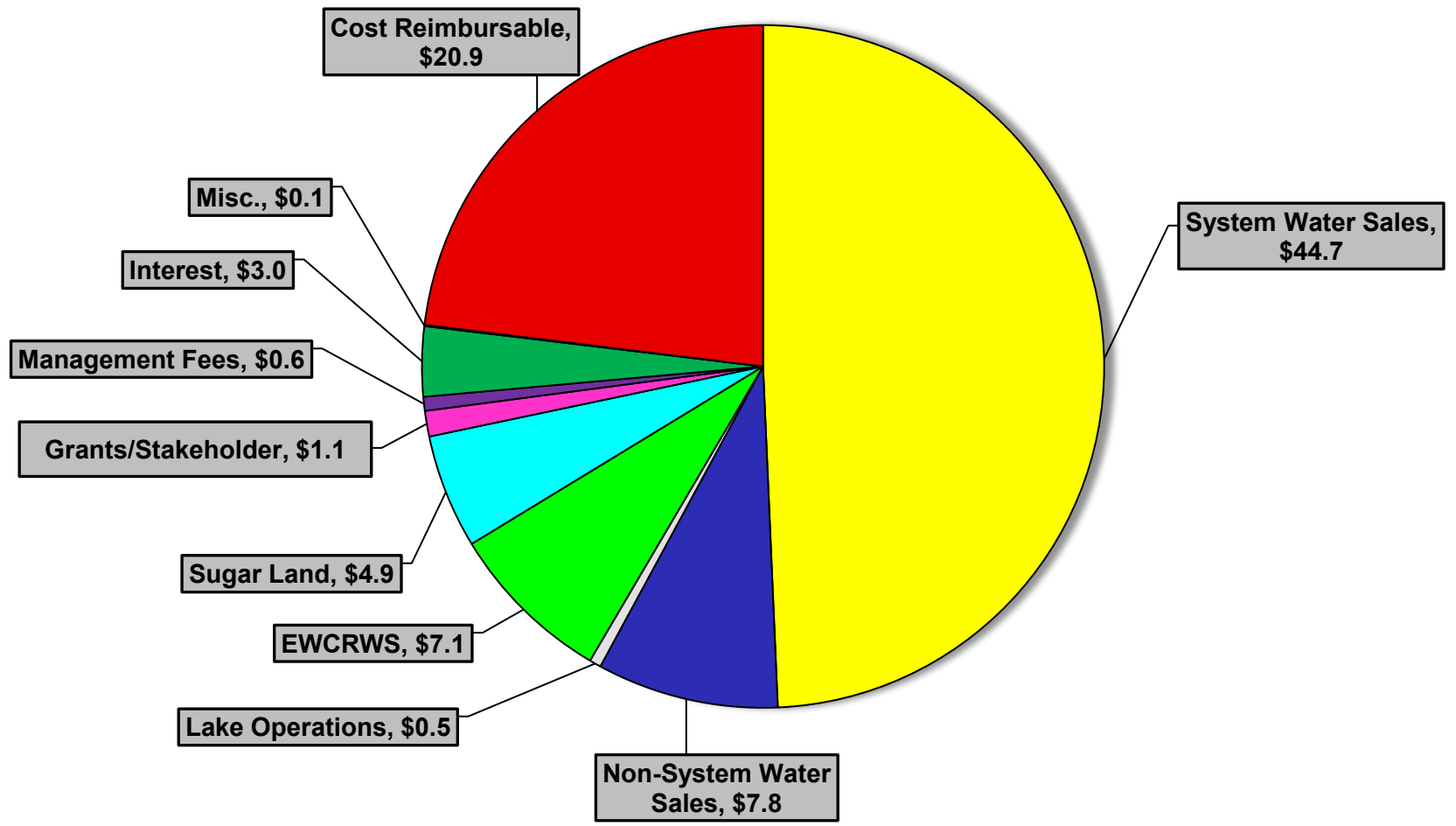
FY 2024 Long-Term Raw Water Sales 719,210 Acre Feet





FY 2024 Proposed Revenues

\$90.7M



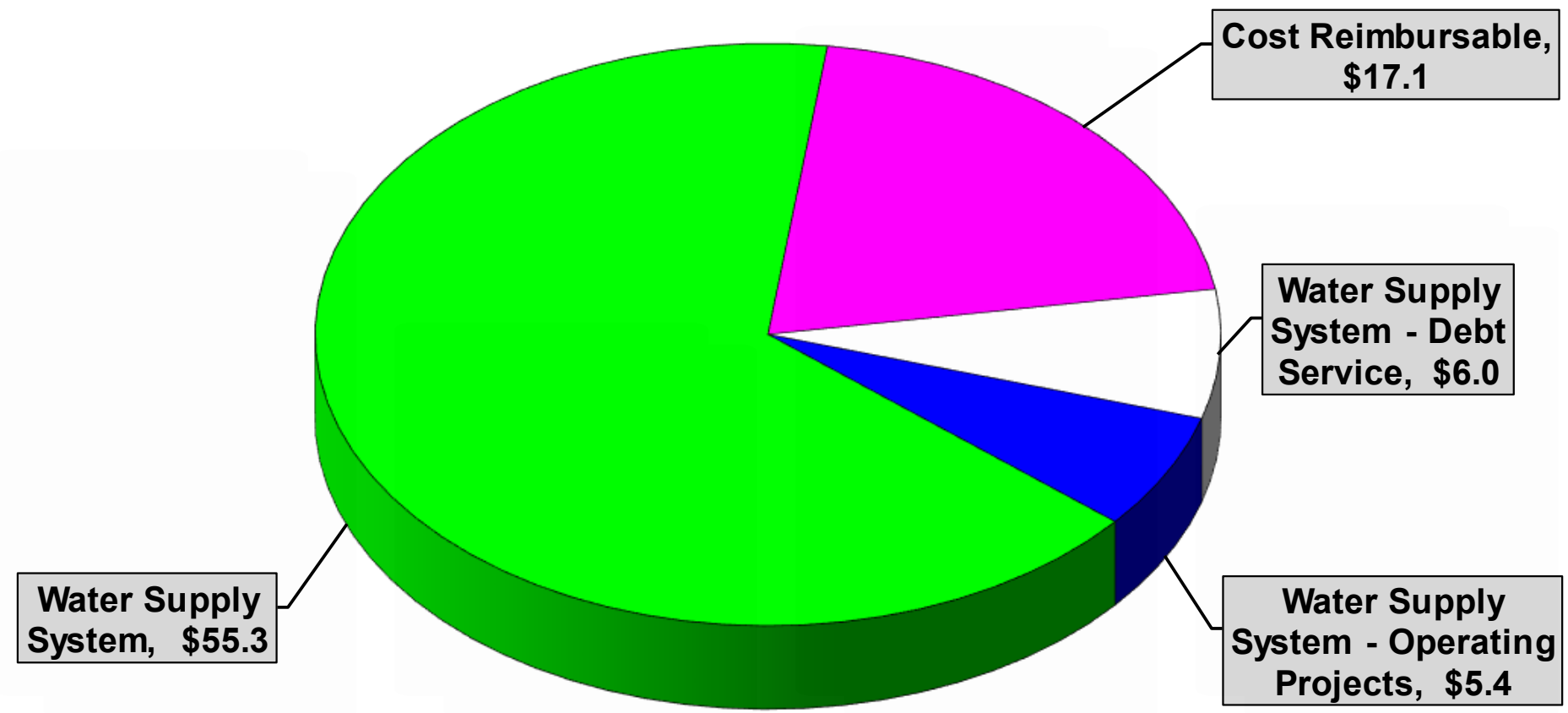


Long-Term Billing Units and Average Price

	FY 2023			FY 2024		
	Units	Avg. Price	%	Units	Avg. Price	%
System Rate	477,494	\$88.00	67%	477,643	\$93.50	66%
Agricultural	11,911	\$58.10	2%	11,911	\$65.45	2%
Two-Tier	98,999	\$18.69	14%	98,999	\$19.55	14%
Other Fixed Price	9,231	\$25.78	1%	8,957	\$26.88	1%
Utilities	97,000	\$19.28	14%	97,000	\$21.70	13%
Colorado Basin	23,328	\$84.38	3%	24,700	\$85.07	3%
	717,963		100%	719,210		100%



FY 2024 Proposed Operating Expenses \$83.8M



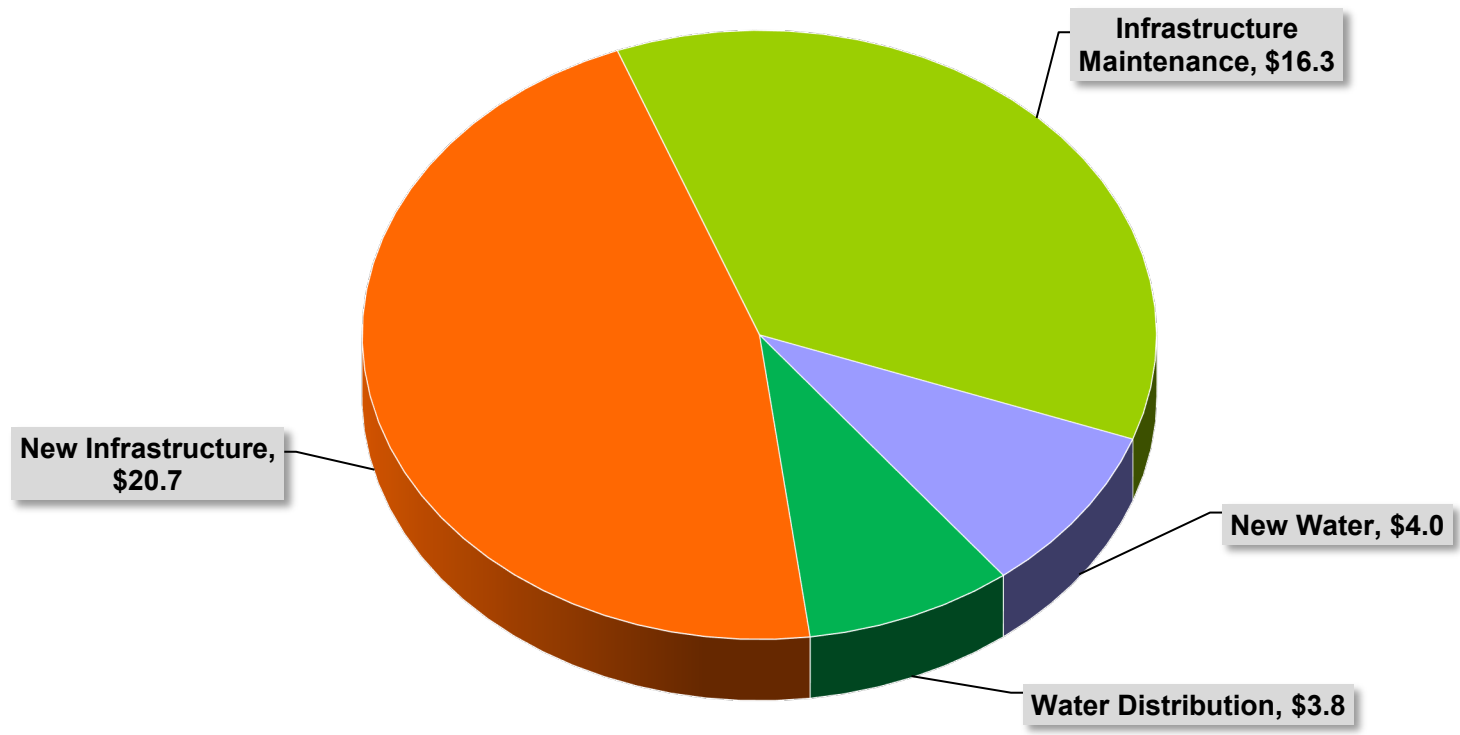


FY 2024 Proposed Operating Projects

Project Name	FY 2024 Budget Amount
BW-ES-Brazos Water Snake Study	\$ 245,000
BW-OS-Security and Vulnerability Assessment Updates	250,000
BW-TS-Risk Based Capital Planning and Management Support	1,095,000
BW-WS-Brazos River Alluvium Study	17,000
BW-WS-Integrated Water Resources Plan	75,000
CB-WH-Lake Whitney Reallocation Study	600,000
CO-FA-Enterprise Financial Software	550,000
CO-IT-Audiovisual Technology Integrations	476,000
LB-LL-Administrative Complex Architectural Assessment, Design & Replac	29,000
UB-LG-Electric Vulnerability Assessment	250,000
UB-LG-Hearth Stability Analysis	225,000
UB-LG-Lake Granbury Building Repairs	75,000
UB-LG-Tainter Gate Evaluation	250,000
UB-PK-Bay 9 Transition Beam Leak Remediation	294,000
UB-PK-COC Recoating and Repairs	491,000
UB-PK-Operating Pier Trash Rack Replacement	189,000
UB-PK-Recreational Development	331,000
	\$ 5,442,000



FY 2024 Proposed Capital Improvement Projects by Type \$44.8M





FY 2024 Proposed Capital Improvement Projects

(in thousands)

<u>Project Name</u>	<u>Total Project Cost</u>	<u>FY 2024 Proposed Expenditures</u>	<u>Est. Completion Date</u>
CB-BE-Bel-house Drought Preparedness	\$ 87,342	\$ 7,953	FY 2028
CB-EW-EWC WTP Intake Slope Stabilization	2,670	450	FY 2024
CB-EW-EWCRWS Expansion Phase II	342,954	6,612	FY 2028
CB-WCR-WCRRWL Copper Ion Generator *	3,423	813	FY 2024
CB-WCR-WCRRWL Phase 3 Pumps *	35,192	3,012	FY 2026
CO-ES-Environmental Services Building	12,653	4,885	FY 2025
LB-AC-Allens Creek Reservoir	700,524	4,000	FY 2028+
LB-LL-Hydrostatic Relief System Assessment & Replacem	9,332	650	FY 2027
LB-LL-Low Flow Facility Modifications & Improvements	20,932	513	FY 2028+
LB-LL-Park 5 Access Pier and Park Upgrades	3,221	1,200	FY 2024
LB-LL-Tainter Gate Replacement and Improvements	36,058	8,202	FY 2025
UB-LG-Buttress 1 and 44 Repairs	1,076	302	FY 2025
UB-LG-Low Flow Facilities	6,818	1,000	FY 2024
UB-LG-Stoplog Replacement System	3,440	450	FY 2026
UB-PK-Bay #9 Weir Box	494	200	FY 2025
UB-PK-Flow Control Gate Replacement	3,268	1,528	FY 2026
UB-PK-Spillway Pump and Piping	3,719	3,071	FY 2024
		<u>\$ 44,841</u>	

* Cost Reimbursable CIP



5-Year CIP Plan (in thousands)

Project Name	FY 23 Projected Actual	FY 24 Proposed Expenditures	FY 25 Proposed Expenditures	FY 26 Proposed Expenditures	FY 27 Proposed Expenditures	FY 28 Proposed Expenditures	Total
CB-BE-Bel-house Drought Preparedness	262	7,953	5,280	23,868	23,868	23,868	85,099
CB-EW-EWC WTP Intake Slope Stabilization	1,895	450	-	-	-	-	2,345
CB-EW-EWCRWS Expansion Phase II	1,800	6,612	3,300	36,000	48,000	36,000	131,712
CB-GR-Lake Granger Intake Future Expansion	-	-	-	3,000	-	-	3,000
CB-WCR-WCRRWL Copper Ion Generator	1,846	813	-	-	-	-	2,659
CB-WCR-WCRRWL Phase 3 Pumps	1,865	3,012	14,400	14,400	-	-	33,677
CO-ES-Environmental Services Building	555	4,885	6,411	-	-	-	11,851
LB-AC-Allens Creek Reservoir	500	4,000	14,000	14,000	20,000	20,000	72,500
LB-LL-Hydrostatic Relief System Assessment & Replacement	90	650	990	2,124	2,053	-	5,907
LB-LL-Low Flow Facility Modifications & Improvements	-	513	879	879	879	3,022	6,172
LB-LL-Park 5 Access Pier and Park Upgrades	5	1,200	-	-	-	-	1,205
LB-LL-Road Repairs & Improvements	-	-	-	-	25	1,550	1,575
LB-LL-Tainter Gate Replacement and Improvements	8,790	8,202	286	-	-	-	17,278
LB-LL-Upstream Embankment Construction	-	-	-	-	750	3,000	3,750
UB-LG-Buttress 1 and 44 Repairs	1	302	50	-	-	-	353
UB-LG-Inspection Walkway Lighting	-	-	-	-	314	1,314	1,628
UB-LG-Low Flow Facilities	2,200	1,000	-	-	-	-	3,200
UB-LG-Low Flow Facility Access Walkway	-	-	-	300	300	792	1,392
UB-LG-Rip Rap Repair	-	-	-	-	500	500	1,000
UB-LG-Stoplog Replacement System	16	450	900	750	-	-	2,116
UB-LG-Tainter Gate Recoating	-	-	-	-	900	-	900
UB-LG-Tainter Gate Transmission System Modifications	-	-	-	-	1,000	2,000	3,000
UB-PK-Bay #9 Weir Box	-	200	244	-	-	-	444
UB-PK-COC Ring Jet Valve Replacement	-	-	500	750	1,000	1,250	3,500
UB-PK-Flow Control Gate Replacement	260	1,528	500	500	-	-	2,788
UB-PK-North/South Bank Reconstruction	-	-	-	-	250	500	750
UB-PK-Spillway Pump and Piping	250	3,071	-	-	-	-	3,321
Total	\$ 20,335	\$ 44,841	\$ 47,740	\$ 96,571	\$ 99,839	\$ 93,796	\$ 403,122



FY 2024 Budget Summary

All Lines of Business

(in millions)

	<u>Water Supply</u>	<u>Cost Reimbursable</u>	<u>Total</u>
<u>Beginning Reserves</u>	<u>\$ 58.5</u>	<u>\$ -</u>	<u>\$ 58.5</u>
Revenues	69.8	20.9	90.7
Expenses - O&M	(55.3)	(14.1)	(69.4)
Expenses - Debt Service	(6.0)	(3.0)	(9.0)
Operating Projects	(5.4)	-	(5.4)
Surplus	3.1	3.8	6.9
Capital Improvement Projects	(41.0)	(3.8)	(44.8)
Debt Funding	46.0	-	46.0
<u>Ending Reserves</u>	<u>\$ 66.5</u>	<u>\$ (0.0)</u>	<u>\$ 66.5</u>



FY 2024 Five-Year Financial Forecast

(in millions)

	<u>Projected</u>		<u>Preliminary</u>			
	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
WATER SUPPLY SYSTEM						
Beginning Working Capital	\$ 62.4	\$ 58.5	\$ 66.5	\$ 44.6	\$ 33.2	\$ 30.7
Revenues	66.8	69.8	75.2	79.2	83.5	88.2
Less: O&M Expenses	47.3	55.3	57.8	60.3	63.0	65.8
Debt Service (Not Subject to Coverage)	1.6	1.6	1.4	1.5	1.7	1.7
Operating Projects	<u>2.6</u>	<u>5.4</u>	<u>4.3</u>	<u>3.2</u>	<u>2.5</u>	<u>2.9</u>
Total Before Debt Service Subject to Coverage	<u>51.5</u>	<u>62.3</u>	<u>63.5</u>	<u>65.0</u>	<u>67.2</u>	<u>70.4</u>
Amount Available for Coverage	15.3	7.5	11.7	14.2	16.3	17.8
Debt Service (Subject to Coverage)	<u>2.5</u>	<u>4.5</u>	<u>4.5</u>	<u>6.5</u>	<u>10.1</u>	<u>13.8</u>
Net Surplus	12.8	3.0	7.2	7.7	6.2	4.0
Capital Projects	(16.6)	(41.0)	(33.3)	(82.2)	(99.8)	(93.8)
Bond Proceeds	-	46.0	4.2	63.1	91.1	88.1
Rate Stabilization Reserves Utilized	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Working Capital	<u>\$ 58.5</u>	<u>\$ 66.5</u>	<u>\$ 44.6</u>	<u>\$ 33.2</u>	<u>\$ 30.7</u>	<u>\$ 29.0</u>

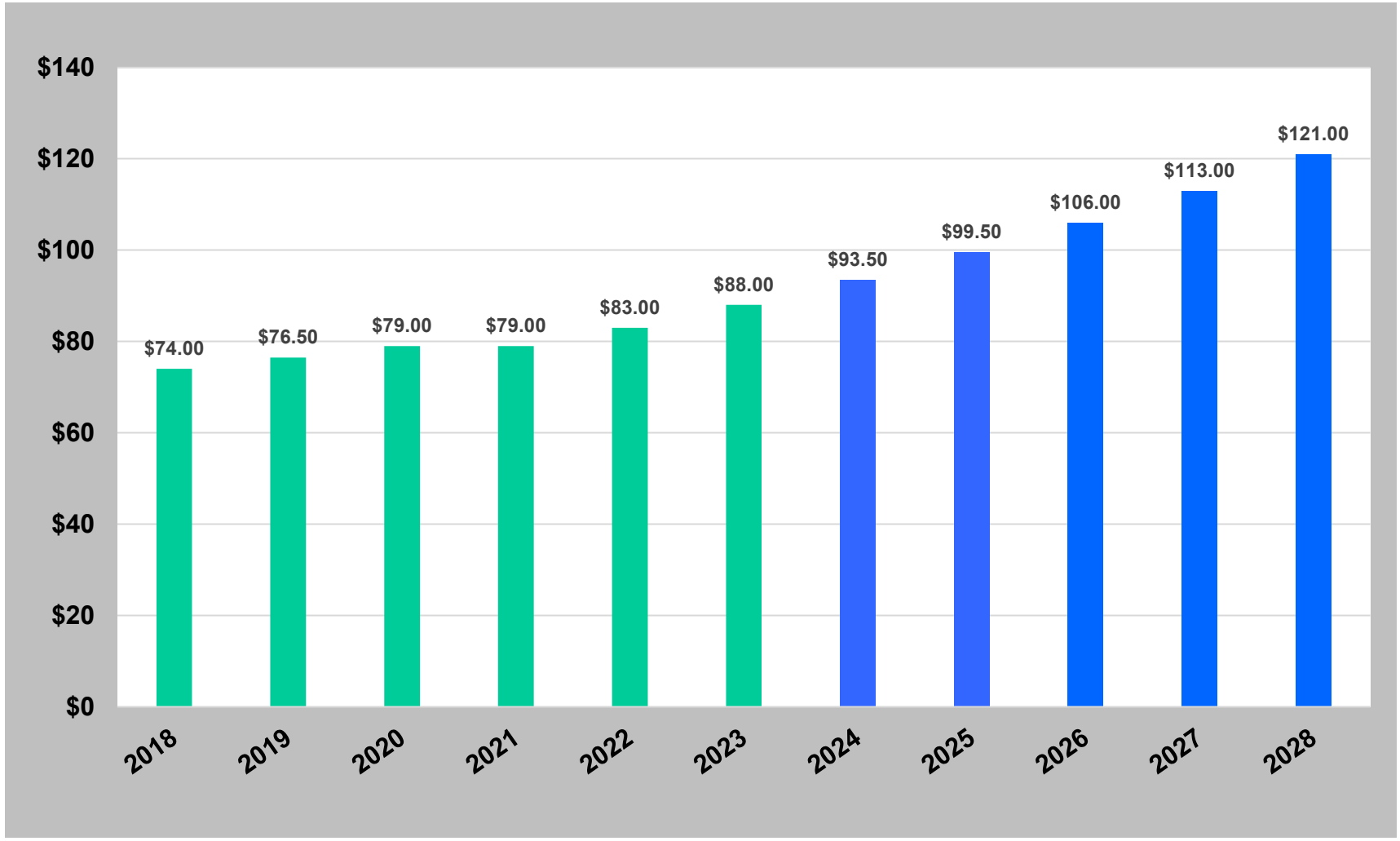


FY 2024 Five-Year Financial Forecast

	Projected			Preliminary		
	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
<u>System Rate</u>						
System Rate Projection	\$ 88.00	\$ 93.50	\$ 99.50	\$ 106.00	\$ 113.00	\$ 121.00
Percentage Increase	5.0%	6.3%	6.4%	6.5%	6.6%	7.1%
System Rate Units (AF)	477,494	477,643	491,268	491,268	492,639	492,913
<u>Debt Service Coverage Test (in millions)</u>						
Debt Service Subject to Coverage	\$ 2.5	\$ 4.5	\$ 4.5	\$ 6.5	\$ 10.1	\$ 13.8
Amount Available to Meet Coverage	\$ 15.3	\$ 7.5	\$ 11.7	\$ 14.2	\$ 16.3	\$ 17.8
Projected Coverage Ratio	6.1	1.7	2.6	2.2	1.6	1.3
Target Coverage Ratio	1.3	1.3	1.3	1.3	1.3	1.3
Coverage Test Met	Yes	Yes	Yes	Yes	Yes	Yes
<u>Reserve Test (in millions)</u>						
90-Day Working Capital Reserve	\$ 11.7	\$ 13.6	\$ 14.2	\$ 14.9	\$ 15.5	\$ 16.2
Contingency Reserve	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.5
Self Insurance Reserve	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5
Total Required Reserves	\$ 17.7	\$ 19.6	\$ 20.2	\$ 20.9	\$ 21.5	\$ 22.2
Ending Working Capital	\$ 58.5	\$ 66.5	\$ 44.6	\$ 33.2	\$ 30.7	\$ 29.0
Reserve Test Met	Yes	Yes	Yes	Yes	Yes	Yes



System Rate History/Forecast





Budget Process – Outstanding Items

- **All items will be finalized with the most up-to-date information by the July Board meeting**



Brazos River Authority

Questions?



Brazos River Authority



Brazos
— ★ —
RIVER AUTHORITY