Montgomery County UD 3

Proposed budget for FY 2026

	Actuals as of 11/10/2025	2025 Budget	Proposed Budget
Income			
Water Revenue			
4100 · Customer Service Fees - Water	365,197.99	513,660.00	474,000.00
4110 · Water Tap Connection Fees	0.00	30,000.00	0.00
Total Water Revenue	365,197.99	543,660.00	474,000.00
Sewer Revenue			
4200 · Customer Service Fees - Sewer	429,570.95	573,350.00	763,000.00
4202 · Sewer Inspection Fees	5,100.00	21,420.00	8,000.00
4210 · Grease Trap Inspections	6,375.00	0.00	9,000.00
Total Sewer Revenue	441,045.95	594,770.00	771,000.00
Other Revenues			
4320 · Maintenance Taxes	380,661.40	340,690.00	349,435.00
4330 · Penalties and Interest	5,600.01	8,200.00	8,200.00
4400 · Transfer/Connection Fees	7,423.00	11,310.00	11,310.00
4402 · Revenue - Aqua Source	246,370.41	140,000.00	328,500.00
4502 · Bond Reimbursement 2011	436,346.00	436,346.00	437,607.00
5380 · Miscellaneous Income	60,000.00	2,000.00	2,000.00
5391 · Interest Income	106,474.01	135,200.00	135,200.00
5400 · COC - Reimbursement - drainage	255,761.42	242,500.00	255,761.00
Use of General Operating Reserve Funds	0.00	720,527.32	2,450,440.00
Total Other Revenues	1,498,636.25	2,036,773.32	3,978,453.00
Total Income	2,304,880.19	3,175,203.32	5,223,453.00
Expense			
Water Expenses			
6102 · Joint Water Plants	69,182.18	94,288.00	121,000.00
6126 · Permit Fees	0.00	3,300.00	3,300.00
6135 · Repairs & Maintenance	324,936.84	223,000.00	429,000.00
6136 · Water Plant Maintenance	0.00	35,000.00	35,000.00
6170 · Tap Connection Expense	0.00	6,000.00	0.00
Total Water Expenses	394,119.02	361,588.00	588,300.00
Sewer Expenses			
6202 · WWTP Expense	303,625.72	372,723.00	370,611.00
6226 · Permit Fees	0.00	3,000.00	3,000.00
6230 · Storm Drainage System	5,367.15	50,000.00	50,000.00
6235 · Repair and Maintenance	80,323.94	140,000.00	106,050.00
6235.01 · Lift Station Rehab	0.00	300,000.00	300,000.00
6275 · Sewer Inspection Expense	10,659.55	13,750.00	13,750.00
Total Sewer Expenses	399,976.36	879,473.00	843,411.00
Other Expenses			
6310 · Director Fees	19,006.00	30,498.00	30,498.00
6314 · Payroll Taxes	1,453.96	2,440.00	2,440.00
6320 · Legal Fees	35,923.10	80,000.00	80,000.00
6321 · Auditing Fees	10,950.00	12,500.00	12,500.00

	Actuals as of 11/10/2025	2025 Budget	Proposed Budget
6322 · Engineering Fees	74,960.86	130,000.00	130,000.00
6322.01 · Transmission Waterline Replacement Phase I	3,080.50	448,493.32	445,000.00
6322.02 · Admin & Dawns Edge LS Rehab & Conversion	129,589.50	209,000.00	79,400.00
6322.03 · Geographic Information System	5,400.00	0.00	7,200.00
6323 · Financial Advisor Fees	0.00	2,100.00	2,100.00
6324 · Laboratory Fees	4,719.70	15,000.00	8,000.00
6325 · Election Expense	0.00	0.00	10,000.00
6326 · TCEQ Assessment Fees	0.00	5,425.00	5,425.00
6327 · Lone Star GW - Permit Fees	19,383.75	20,000.00	25,900.00
6332 · Other Operator Expense	61,000.74	85,000.00	85,000.00
6333 · Bookkeeping Fees	16,200.00	21,600.00	21,600.00
6338A · Legal Notices Required by Law	61.00	1,000.00	1,000.00
6340 · Office Expense	27,994.44	45,000.00	40,000.00
6351 · Telephone	7,055.03	6,035.00	9,500.00
6352 · Utilities	10,522.30	14,000.00	14,000.00
6353 · Insurance	29,699.35	30,000.00	33,000.00
6354 · Travel Expense	2,610.98	5,000.00	5,000.00
6356 · Registration/Membership Fees	2,145.00	2,500.00	2,500.00
6359 · Other Expenses	705.00	4,000.00	1,200.00
6365 · Website Expenses	1,850.00	2,100.00	2,100.00
6380 · Termination/Reconnection/NSF Ex	12,378.85	18,160.00	18,160.00
6399 · Garbage Expense	257,229.00	307,945.00	319,000.00
Total Other Expenses	733,919.06	1,497,796.32	1,390,523.00
Total Expense	1,528,014.44	2,738,857.32	2,822,234.00
Other Expense			
Capital Outlay			
7300 · Capital Outlay	930,022.00	0.00	1,962,104.00
7302 · TWDB Bond Payment Int Exp	196,346.00	196,346.00	184,115.00
7303 · TWBD Principal Payment	240,000.00	240,000.00	255,000.00
Total Capital Outlay	1,366,368.00	436,346.00	2,401,219.00
Net Income	**-589,502.25**	**0.00**	**0.00**

Taxable Value - $419,000,000 M&O Rate - .0851 @ 98% collections

APPENDIX A

Capital Projects

FYE 2026

Sources of Funds

General Fund 2026 Budget Account		$ 1,962,104.40
Proceeds of Tax Bonds, Series 2023		$ 3,125,000.00
	Total	**$ 5,087,104.40**

Uses of Funds

WWTP Lift Station Replacement		$ 3,125,000.00
Admin and Dawns Edge LS Conversion		$ 1,962,104.40
	Total	**$ 5,087,104.40**

APPENDIX B

Debt Service

FYE 2026

Sources of Funds

General Fund Reserves	*Transfer proposed by Financial Advisor from GF reserves to Debt Service Fund in tax rate study, to be made ca. February 2026*	$ 200,000
Tax Account	*Debt service taxes to be received during FY 2026*	594,939
Use of beginning balance in Debt Service Fund(s) at 1-1-2026	*Estimated by Financial Advisor in tax rate study*	290,000
	Total	**$1,084,939**

Uses of Funds

Payment of Debt Service, Revenue Bonds, Series 2011	*From General Fund 2026 Budget.*	$ 436,346
Payment of Debt Service, Outstanding tax bonds	*Estimate from Financial Advisor from tax rate study*	648,593
	Total	**$1,084,939**