



GRP Review Committee Meeting

January 23, 2023

Item 1

Call to Order

Item 2

GRP Review Committee Members

GRP Review Committee Members

Woodlands Water Appointment

On June 8, 2022, Woodlands Water Trustees appointed **Mr. Michael Mooney** to serve as their representative for the 2023 – 2026 term.

MUDs West of I-45 Election

As the sole nominee, **Mr. Jackie W. Chance, Sr.**, has been elected to serve as the representative for MUDs West of Interstate 45 for the 2023 – 2026 term.

Small Cities, exclusive of Conroe

A 71.4 % majority elected **Mr. James Corn** as their Representative for Small Cities, exclusive of the City of Conroe, for the 2023 – 2026 term.

Election of Officers

- Chair
 - Currently Mike Mooney
- Vice Chair
 - Vacant



Item 3

Public Comments

Item 4

Approval of Minutes

Item 5

GRP Division Updates

Item 6
Presentation and Review of the GRP
Division's Fiscal Year 2024 Budget
Considerations and Process



Fiscal Year 2024 GRP Budget Considerations

GRP Review Committee Meeting: January 23, 2023

Discussion Topics

- Review Current FY23 Budget
- FY2024 Budget
 - Discuss considerations for budget preparation

Fiscal Year 2023 Budget (Current)

- Total demand 54.54 MGD
- Annual average SWTP Production 13 MGD
- Groundwater Pumpage Rate \$2.99 / 1,000 gallons
- Surface Water Rate \$3.41 / 1,000 gallons

Surface Water Recipients

City of Conroe

City of Oak Ridge North

MSEC

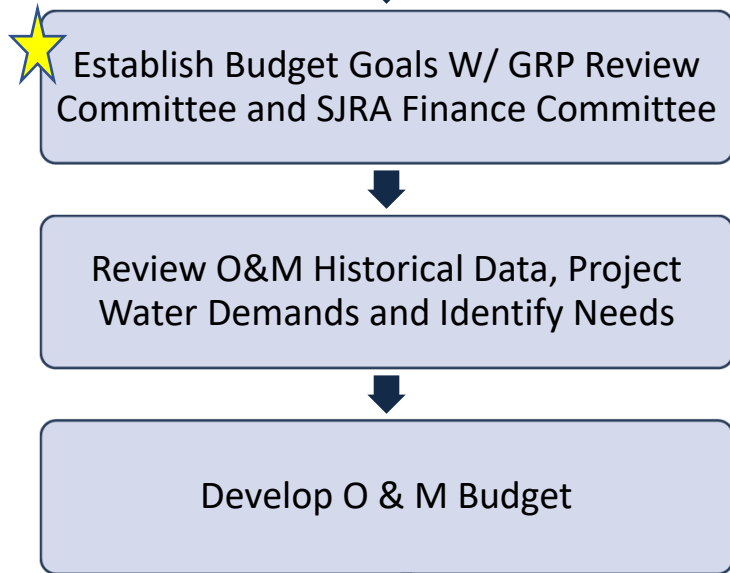
MUD 99

SJRA Woodlands

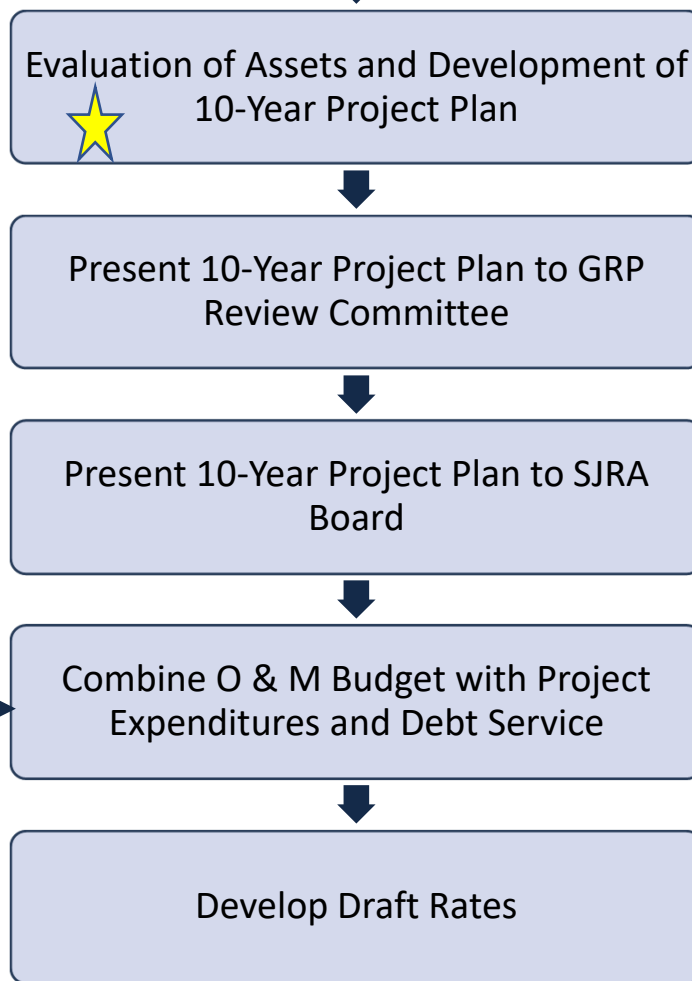
SMCMUD

Rayford Road MUD

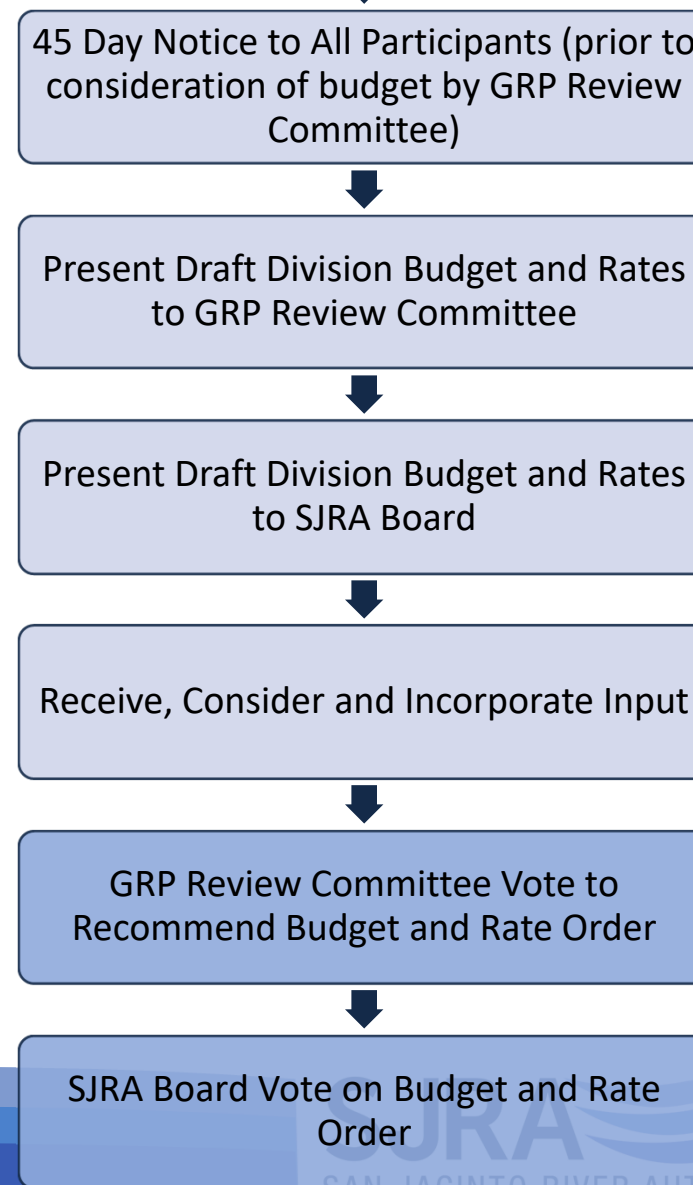
Fiscal Year 2024 Budget Development



10-Year Project Plan Development



Presentations and Notifications



Note:

- Effective Rate Order Notice sent to Participants after budget and rates are approved.

Public Meetings for FY24 GRP Budget

Date	Audience	FY 2024 GRP Budget Activity
January 23	Review Committee	Budget Process, Demands, and Guidelines
February 21	Review Committee	Receive Recommendations for FY24 Budget Considerations
March 20	Review Committee	10-Year Project Plan Presentation
March 24	SJRA Board	10-Year Project Plan Presentation
April 24	Review Committee	FY24 Draft Budget & Rate Presentation
April 27	SJRA Board	FY24 Draft Budget & Rate Presentation
May 22	Review Committee	Review Committee Vote on FY24 Budget and Rate
May 25	SJRA Board	Vote on FY24 GRP Rate Order
August 24	SJRA Board	Vote on Proposed FY24 GRP Operating Budget

Dates are subject to change.

GRP Budgeting

Revenues

- Groundwater Pumpage Fees
- Surface Water Fees
- Industrial Reservation Fee
 - Entergy
- Industrial Use Fee
 - Entergy

Expenses

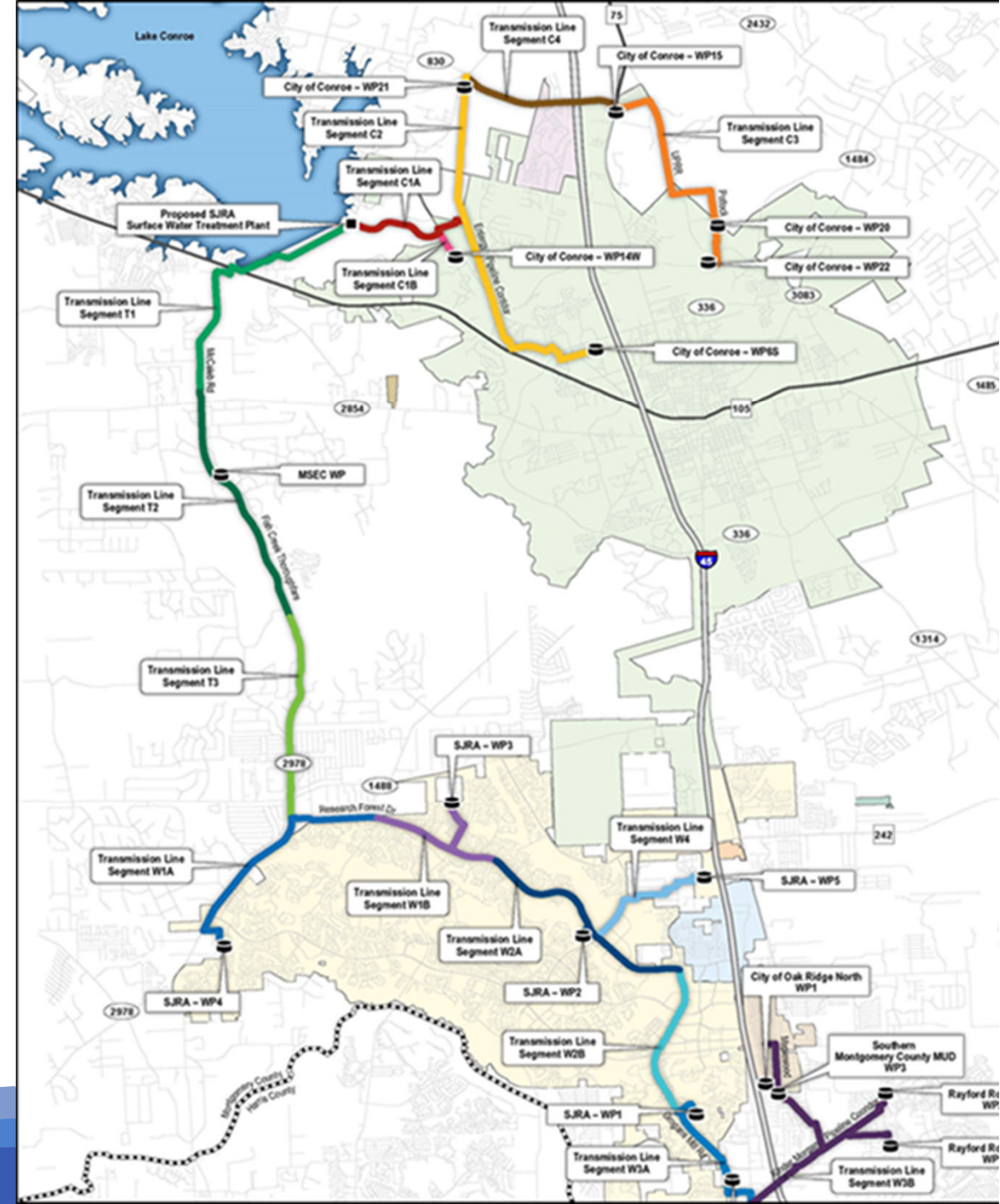
- O&M Expenses
 - Payroll and Benefits
 - Professional Fees
 - Purchased & Contracted Services
 - Supplies, Materials, and Utilities
 - Maintenance Repair, Parts, and Rentals
 - General and Administrative
- Capital Improvements
- Transfers In & Out to Reserves
- Debt Service
 - Principal & Interest

GRP 10-Year Project Plan

Appropriately maintain and manage the GRP's assets

Identifies potential projects

Identifies associated funding requirements



Fiscal Year 2024 Projected Demand

Fiscal Year (Sept – Aug)		
Calculation	Gallons	MGD
2-Year Average	22,947,979,132	62.19
3-Year Average	22,354,204,598	60.56
4-Year Average	21,613,165,610	58.53
5-Year Average	21,093,179,500	57.10

GRP's recommendation

**FY 2024 Budgeted
Demand
54.54 MGD**

Projected demands represent the aggregate historical groundwater and surface water demands for all 149 GRP Participants.

Budget Assumptions

Goods and Services



Electrical & Natural Gas

Utility Usage, estimated at 10% higher than actuals



Other Chemicals & Goods

Although increases are slowed, it is expected to continue to increase by 10%

Budget Assumptions

Goods and Services



Healthcare - Medical

Estimated at 10% higher than current budget



Property Insurance

Estimated at 10% higher than current budget



Worker's Compensation

Estimated at 5% higher than current budget

February 2023 GRP Review Committee Meeting

Recommend
projected demand
for FY2024

Staff recommends
using current
demand of 54.54
MGD

Confirm annual
average SWTP
production for
FY2024

Staff recommends
13 MGD annual
average

Questions

Item 7
Discuss Fiscal Year 2023
Budget Amendment

Proposed Budget Amendment FY 2023

R&R Fund

- Budget
 - \$1,400,000
- Proposed
 - \$4,600,000
- Operating Fund
 - \$3,200,000

Emergency Reserve

- Budget
 - \$700,000
- Proposed
 - \$2,000,000
- Operating Fund
 - \$1,300,000

Process Water Basins Proposed Budget Amendment

Original Budget

\$ 600,000.00 (Bond Funded)

FY 2023 Budget Amendment

\$ 641,900.66 (Remaining Bond Funds*)

\$ 1,258,099.34 (Operating Fund)

Proposed Budget Total

\$ 2,500,000.00



**As of 12/31/22*

Budget Amendment Summary

	Current Budget	Proposed Adjustment	Proposed Amended FY23 Budget	Funding source
R&R Fund	\$1,400,000	\$3,200,000	\$4,600,000	Operating Fund
Emergency Reserve	\$700,000	\$1,300,000	\$2,000,000	Operating Fund
Process Water Basins	\$600,000	\$1,900,000	\$2,500,000	Bond/ Operating Fund
Total	\$2,700,000	\$6,400,000	\$9,100,000	

Item 8
Lone Star Groundwater Conservation
District Update

Item 9

**GRP items for consideration by the
SJRA Board of Directors on January 26, 2023**

Item 10

Attorney's Update

Item 11
Future GRP Review Committee Meeting
Agenda Items

Item 12
Future Meeting Schedule

Tuesday, February 21, 2023

Item 13 Adjourn