SAN JACINTO RIVER AUTHORITY

Board Communication

Item No.	Agenda Item	Date
6.1	Consider adoption of a resolution of the San Jacinto River Authority Board of Directors approving and adopting a budget for the fiscal year beginning on September 1, 2026, and ending August 31, 2027, inclusive.	**08/27/2026**

BACKGROUND INFORMATION

The Board of Directors is required to adopt a budget for all operating funds for Fiscal Year 2027, which begins September 1, 2026, and ends August 31, 2027. The preliminary budgets proposed were reviewed by the Finance Committee on January 13, 2026, June 5, 2026, and July 13, 2026, with the proposed budgets presented to the Board of Directors at a Regular meeting on July 23, 2026.

Staff, along with the Finance Committee, recommend approval of the final proposed operating budgets for Fiscal Year 2027.

FUNDING SOURCE: N/A

ATTACHMENTS: Resolution and Fiscal Year 2027 Proposed Budget

RECOMMENDED ACTION

Adopt a resolution of the San Jacinto River Authority Board of Directors approving and adopting a budget for the fiscal year beginning on September 1, 2026, and ending August 31, 2027, inclusive.

RESOLUTION NO. ______________

A RESOLUTION OF THE SAN JACINTO RIVER AUTHORITY BOARD OF DIRECTORS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING ON SEPTEMBER 1, 2026, AND ENDING AUGUST 31, 2027, INCLUSIVE.

WHEREAS, the General Manager of the San Jacinto River Authority (the "Authority") prepared a proposed budget of revenues and expenditures for the Authority's fiscal year beginning September 1, 2026, and ending August 31, 2027 ("Fiscal Year 2027"); and

WHEREAS, the General Manager submitted the proposed budget to the Finance Committee of the Board of Directors (the "Board"), and the Finance Committee met on January 13, 2026, June 5, 2026, and July 13, 2026, to review and comment on same; and

WHEREAS, the General Manager addressed comments to the proposed budget received from the Finance Committee and thereafter submitted the proposed budget to the Board; and

WHEREAS, the Board has considered the approval and adoption of the proposed budget and received the Finance Committee's recommendation that the same be approved and adopted as presented.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY, THAT:

Section 1. The budget attached hereto as **Exhibit "A"** is hereby approved and adopted by the Board of Directors for the Authority's Fiscal Year 2027. The amounts set forth in said budget are hereby appropriated for the purposes stated therein, and total expenditures shall not exceed total appropriations at the fund level without approval of the Board of Directors.

Section 2. The General Manager is authorized to approve transfers between line items in any divisional budget and to make transfers within funds within the budget, as necessary to meet unanticipated expenditures within any division, program, or service, provided that such transfers do not materially reduce or eliminate a program or service adopted in said budget, or result in total expenditures exceeding total appropriations for the applicable fund.

Section 3. Capital projects and other project-specific expenditures reflected in the budget are intended for planning, forecasting, and administrative purposes, and actual expenditures for such projects may exceed or fall below the estimated amounts, provided that total expenditures within the applicable fund do not exceed total appropriations approved by the Board.

Section 4. All balances of appropriation in each fund, which support authorized obligations at the close of business for the fiscal year ended August 31, 2026, are hereby declared to be re-appropriated into the Adopted Budget beginning September 1, 2026.

Section 5. The recitals set forth hereinabove are hereby adopted by the Board of Directors as findings of fact and incorporated herein for all purposes.

APPROVED AND ADOPTED by the San Jacinto River Authority Board of Directors, at a regular meeting on the 27th day of August, 2026.

ATTEST:

____
Wil Faubel, Secretary

SAN JACINTO RIVER AUTHORITY

____
Ronnie Anderson, President

APPROVED AS TO CONTENT:

____
Aubrey A. Spear, General Manager

APPROVED AS TO FORM:

____
Amy L. Sims, General Counsel

Proposed Annual Budget

Fiscal Year 2027

SJRA
SAN JACINTO RIVER AUTHORITY

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Approved Operating Budgets
For Fiscal Year September 1, 2026 to August 31, 2027

Table of Contents

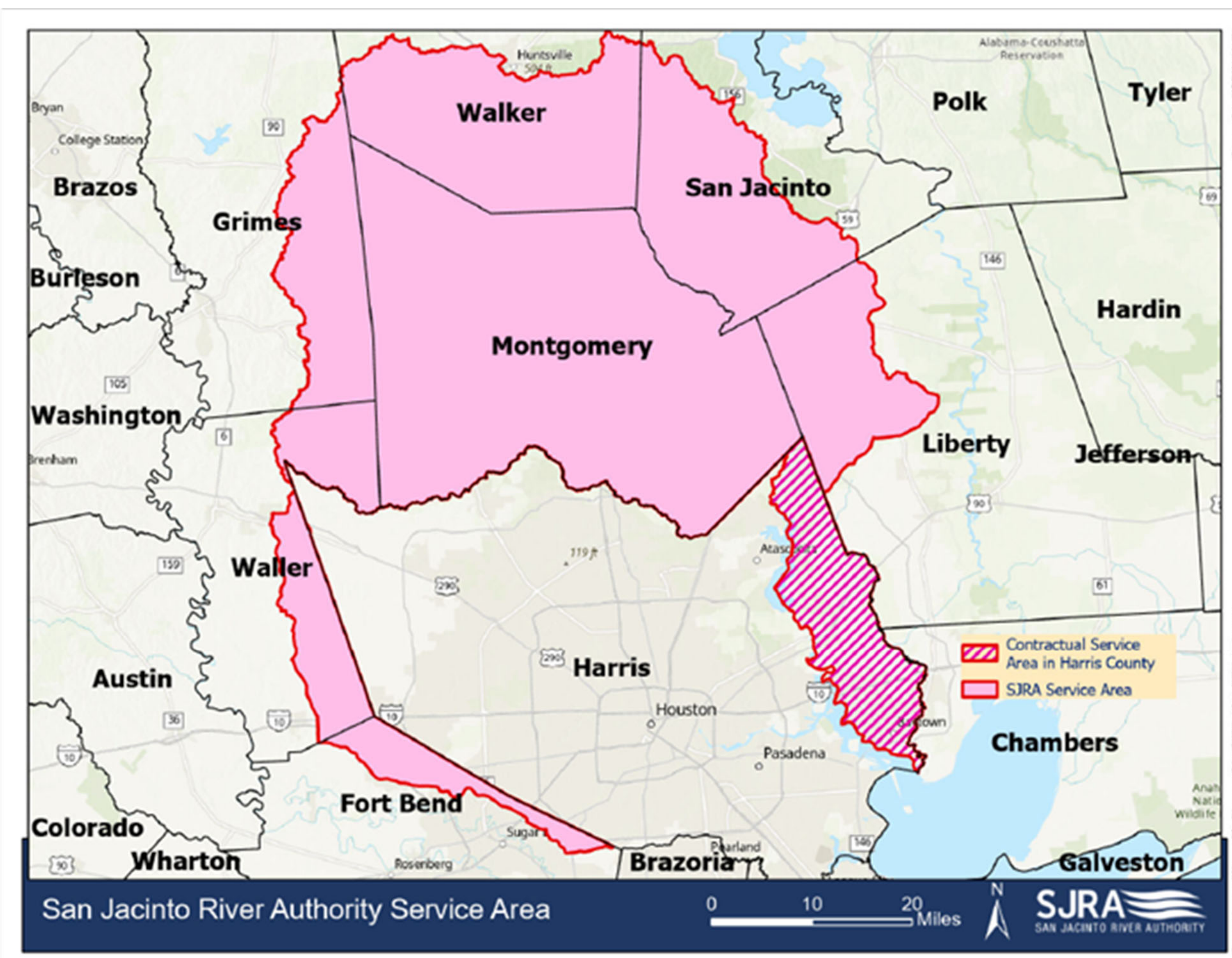
Introduction to SJRA

The San Jacinto River Authority (SJRA) is a conservation and reclamation district created by the Texas Legislature in 1937 pursuant to Article 8280-121, as amended, whose mission is to develop, conserve, and protect the water resources of the San Jacinto River Basin.

SJRA's jurisdiction encompasses the entire San Jacinto River watershed, excluding Harris County, and includes all of Montgomery County as well as portions of Walker, Waller, San Jacinto, Grimes, Fort Bend, and Liberty Counties. As one of ten major river authorities in Texas, the SJRA is responsible for planning, developing, and implementing long-term regional water supply and wastewater treatment projects that serve the needs of a growing population.

Pursuant to an agreement with the City of Houston, SJRA is authorized to operate in eastern Harris County, including areas east of the San Jacinto River, where it provides water resources to support municipal, industrial, and other authorized uses.

Map of SJRA Service Area



Vision, Mission, and Core Values

Vision

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

Mission

SJRA's Mission is to:
- assure long-term water supplies;
- provide raw water, drinking water, and wastewater services;
- protect water quality;
- coordinate regional flood planning; and
- educate the public on water resources management topics

Core Values

Core values guide how members of the organization conduct themselves in pursuit of the mission and vision of the organization. The following guiding principles provide an ethical framework for decision making and action:

Service before self

Efficiency and fiscal responsibility

Respect for others

Valuing and empowering our people

Integrity and professionalism

Continuous improvement

Excellence in everything

San Jacinto River Authority Board of Directors

SJRA is governed by a seven-member Board of Directors appointed by the Governor of Texas. Directors currently serve staggered six-year terms. However, pursuant to Texas House Bill 1540, enacted during the 88th Legislative Session, directors appointed or reappointed after the expiration of the current terms will serve staggered four-year terms.

Ronnie Anderson
President

Ed Boulware
Vice-President

Mark Micheletti
Treasurer

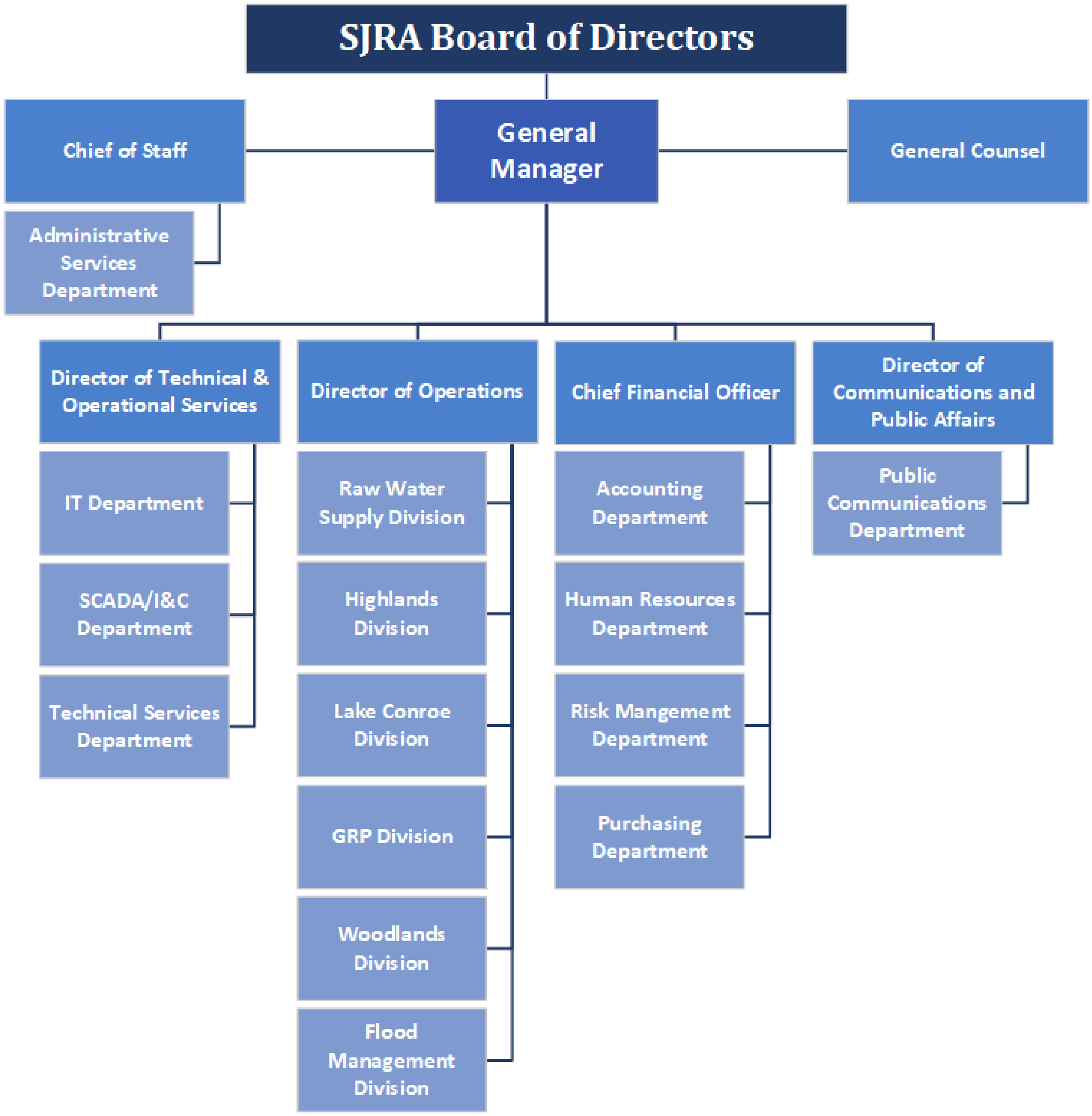
Wil Faubel
Secretary

Ricardo Mora
Secretary Pro Tem

Stacey Buick
Director

Stephanie Johnson
Director

Organizational Structure

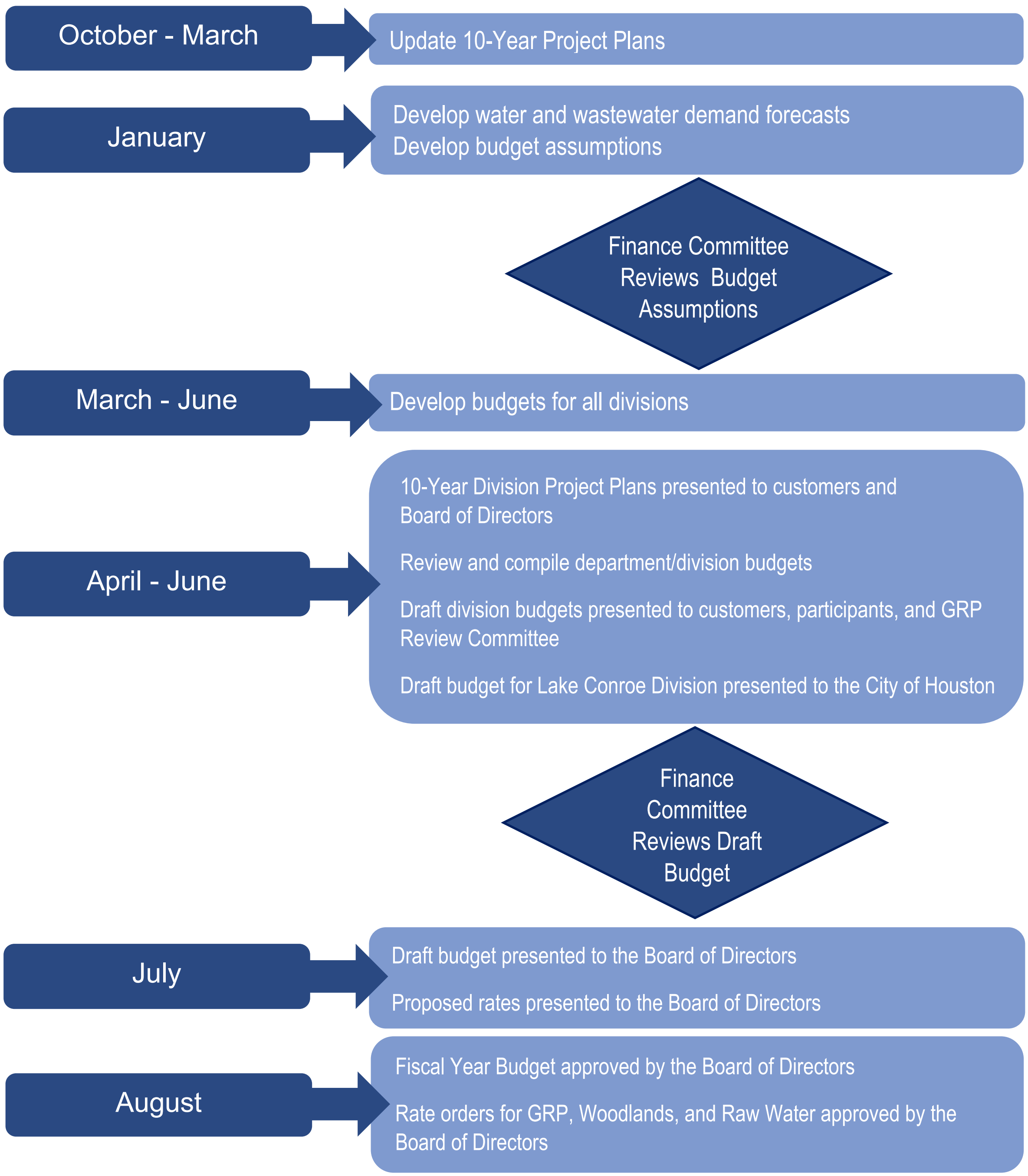


SJRA is organized into six operational divisions: the Raw Water Supply Division, the Highlands Division, the Lake Conroe Division, the Woodlands Division, the Groundwater Reduction Plan (GRP) Division, and the Flood Management Division. With the exception of the Raw Water Supply and Flood Management Divisions, each division owns, operates, and maintains critical water supply and/or wastewater infrastructure essential to providing reliable service and meeting the water resource needs of SJRA's customers. The Flood Management Division actively pursues partnerships and funding opportunities at the local, state, and regional levels to support the planning and implementation of flood mitigation projects. The Raw Water Supply Division studies and pursues water rights needed to meet the future needs of the community.

The General and Administrative Division (G&A) provides centralized administrative, technical, and operational support to SJRA's divisions. This division includes Accounting, Administrative Services, Human Resources, Information Technology, Procurement, Public Communications, Risk Management, SCADA and Instrumentation & Control (I&C), and Technical Services departments.

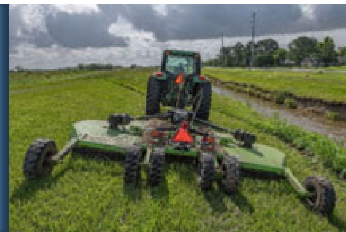
Budget Process and Schedule

The fiscal year for SJRA begins on September 1 and concludes on August 31 of the subsequent calendar year. Throughout the budget process, the Accounting Department collaborates with departments and divisions to develop and refine budgets for the upcoming fiscal year. These budgets encompass updates to divisional 10-year project plans, salaries and benefits, fixed costs, contractual obligations, and other operating expenses. The process also includes detailed service demand forecasting, line-by-line expenditure review, and thorough justification of budget requests. In general, the resulting budget estimates reflect the resources required to maintain service levels consistent with those provided in the prior year.



Enterprise Funds

Raw Water Supply*



Highlands Division*

Lake Conroe Division*

Woodlands Division**

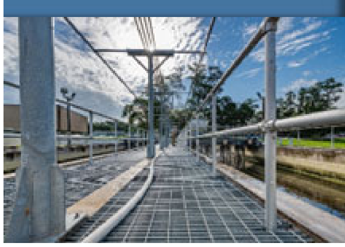
We work for *your* water

Groundwater Reduction Plan Division**

Flood Management Division

General & Administration (G&A) Division

Bear Branch



Region H

***part of overall Raw Water Enterprise **part of overall Utility Enterprise**

Enterprise Funds

The Raw Water Enterprise, Woodlands Division, GRP Division, Bear Branch Division, and Region H maintain separate revenues and expenses that are accounted for separately within each operating division and are used exclusively for that division's operations.

The Raw Water Enterprise includes revenues from raw water supply sales and the cost centers for the Highlands and Lake Conroe Divisions. Expenses incurred by the Highlands and Lake Conroe Divisions are dedicated to their respective operations. After funding these direct operating costs, Raw Water Supply revenues are used to support the remaining expenses of the Highlands, Lake Conroe, and Flood Management Divisions, as well as any General and Administrative (G&A) expenses that are not otherwise allocated.

SJRA's Utility Enterprise consists of two distinct wholesale utility divisions: the Woodlands Division and the GRP Division. Each division is budgeted, funded, and accounted for independently, and the financial resources of the two divisions are maintained separately and are not intermingled.

In addition to SJRA's six operating divisions, SJRA manages the Bear Branch Reservoir ("Bear Branch") and its associated stormwater drainage system under contract with five Woodlands-area Municipal Utility Districts (MUDs). SJRA also serves as the designated administrative agent for the Region H Water Planning Group ("Region H") under contract with the Texas Water Development Board.

The Bear Branch and Region H budgets are developed and administered separately from SJRA's core business operations. All revenues and expenses associated with Bear Branch and Region H are accounted for independently and are used exclusively to support their respective programs and contractual obligations.

Types of Funds

Operating Funds

The Operating Fund is used to fund the day-to-day operations and maintenance of each division. It includes revenues generated from operations and expenditures for salaries and benefits, professional services, purchased and contracted services, supplies and materials, utilities, maintenance and repairs, replacement parts, capital improvements, transfers to other funds, and required reserves.

Repair and Replacement Funds

The Repair and Replacement Fund provides full or partial funding for capital improvements to the System, including expansions, extensions, modifications, and other additions to System capital assets. The fund also supports planned and unplanned repairs, rehabilitation of existing System capital assets, and other eligible capital asset expenditures of SJRA.

Project Funds

The Project Fund provides full or partial funding for projects undertaken by the Flood Management and Raw Water Supply Divisions. These projects typically span multiple fiscal years and require long-term planning, coordination, and financial management.

Customer Contributions

The Customer Contributions Fund consists of proceeds received from a customer to fund capital projects. The use of these funds is restricted to the specific purpose and project identified in the applicable customer agreement.

Grant Funds

This fund consists of grant proceeds received from state or federal agencies to fund eligible capital projects. These funds do not require repayment and are restricted to the specific purposes and projects identified in the applicable grant agreements.

Debt Service Funds

During each fiscal year in which any portion of the bonds remains outstanding, SJRA shall deposit into the Debt Service Fund, on a monthly basis as collected, Net Revenues in an amount not less than one-twelfth (1/12) of the scheduled principal and interest due on the bonds for that fiscal year. Such monthly deposits may be reduced as appropriate to reflect funds already on hand in the Debt Service Fund.

Debt service for the Raw Water Enterprise is administered through the G&A Division, while related expenses are allocated to the respective operating divisions. All other divisions with outstanding bonds maintain separate debt service funds.

Debt Service Reserve Funds

The Debt Service Reserve is a reserve required by bond covenants equal to the average annual amount payable for principal and interest scheduled to come due on the Bonds, Outstanding Bonds, and any Additional Bonds remaining outstanding at the time of calculation; provided that the average annual amount is determined based solely on the number of whole or partial fiscal years in which such principal and interest are actually scheduled to become due. The Raw Water Enterprise debt service reserve is maintained under the G&A Division, although the related expenses are allocated to the respective divisions. All other divisions with outstanding bonds maintain their own debt service reserve funds.

Woodlands Water Supply Bonds

Capacity bonds are issued on behalf of participating Woodlands MUDs to pay for capacity improvements to the Woodlands Water System and are repaid monthly by those participating MUDs. This fund is used to record payments received from the participating MUDs and to track payments for principal, interest, arbitrage reporting, and other bond-related fees.

Woodlands Waste Disposal Supply Bonds

Capacity bonds are issued on behalf of participating Woodlands MUDs to pay for capacity improvements to the Woodlands Wastewater System and are repaid on a monthly basis by the participating MUDs. This fund is used to record payments received from the participating MUDs and to account for payments of principal, interest, arbitrage reporting, and other bond-related fees.

Year Specific Series Bonds

Bond proceeds are used as a funding source for capital projects. Their use is typically restricted to specific purposes, depending on whether the funds were issued as open-market bonds or Texas Water Development Board (TWDB) bonds.

Future Facilities Funds

Capacity funds are received by the Woodlands MUDs through the purchase of Single Family Dwelling Unit Equivalents (SFDUEs), which are required to support projected development levels in the Woodlands, based on Interim and Final Accounting reports. These funds are used to pay for capacity improvements to the Woodlands Water and Wastewater System. The Final Accounting, completed in March 2017, was intended to fund a specified list of capacity projects. In May 2018, the MUDs entered into supplemental agreements with SJRA to fund these projects and to establish the process for transferring any excess funds to the Repair and Replacement Fund for the Woodlands, thereby closing out the Future Facilities Fund.

10-Year Project Plan Development for Divisions

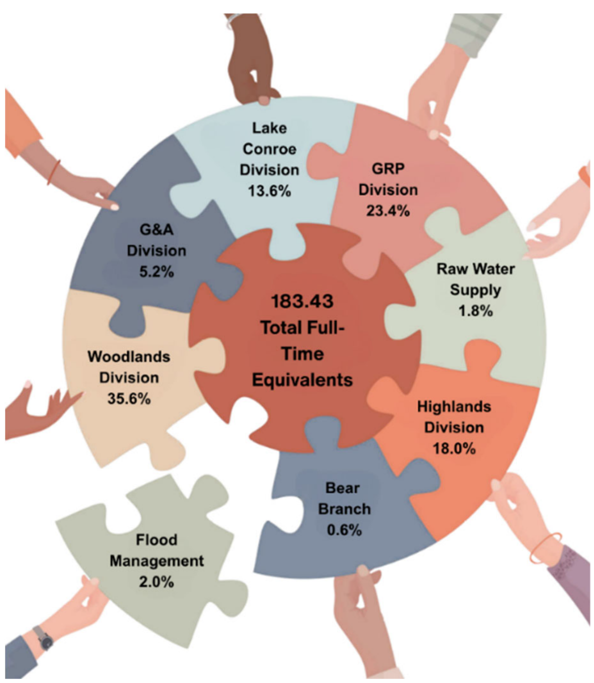
As part of SJRA's planning and budget process, Capital Improvement and Project Plans are prepared for each Division covering a 10-year period. The projects included in these plans may be funded through annual Operations and Maintenance (O&M) budgets, the repair and replacement fund, project funds, bonds, grants, and/or appropriate customer contributions. Projects expected to be funded through Divisional O&M budgets are subject to available funding and may be delayed if sufficient funds are not available. Projects anticipated to be funded through bonds are not part of the direct O&M budgets, except for any associated debt service requirements, and are included in this document's project listings solely to provide a comprehensive overview of planned project activity for FY2027–FY2036. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Staffing Plan Development

Another component of SJRA's planning and budgeting process is the development of Staffing Plans using Full-Time Equivalent (FTE) budgeting as a standardized method for measuring staffing levels. This approach converts all employee hours, whether full-time, part-time, or temporary, into an equivalent number of full-time positions. Under this system, 1.0 FTE represents one full-time employee, typically working 40 hours per week (or 2,080 hours per year).

Budget Assumptions for Staffing Plan

- Staffing of **183.43** Full Time Equivalent (FTE) for FY2027
- The FY2027 budget includes **two intern positions** and **no part-time or temporary positions**
- Salary and wage increases are budgeted at a combined average of **4%** for performance-based merit increases, promotions, market adjustments, and equalizations
- Salaries and wages include an estimate of **10%** 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 **10%** increase over prior years actuals for FY2027
    - SJRA health and wellness program, including participation incentives
- Retirement benefits for FY2027 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 SJRA's new defined contribution retirement plan
- Worker's Compensation benefits are budgeted for a **5%** increase over prior actuals for FY2027 based on a running three-year historical experience modifier



General Budgetary Assumptions

Key assumptions affecting all SJRA Divisions and Departments for FY2027 are as follows:

- **Normal weather and operating conditions** were utilized in preparation of the FY2027 budget
    - Historical average of 4 years
- Fuel prices per gallon for gasoline and diesel are forecasted for FY2027 at **$3.50** and **$4.50**, respectively

Gasoline
$3.50

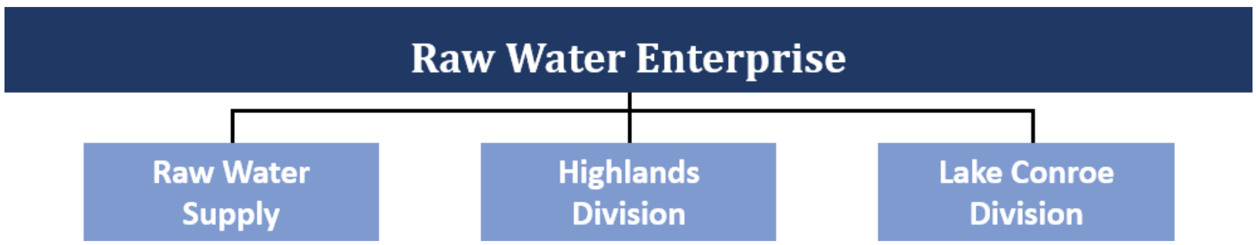
Diesel
$4.50

- Utility usage, electric, and natural gas prices are forecasted to increase **5%** over actual expenses for FY2027

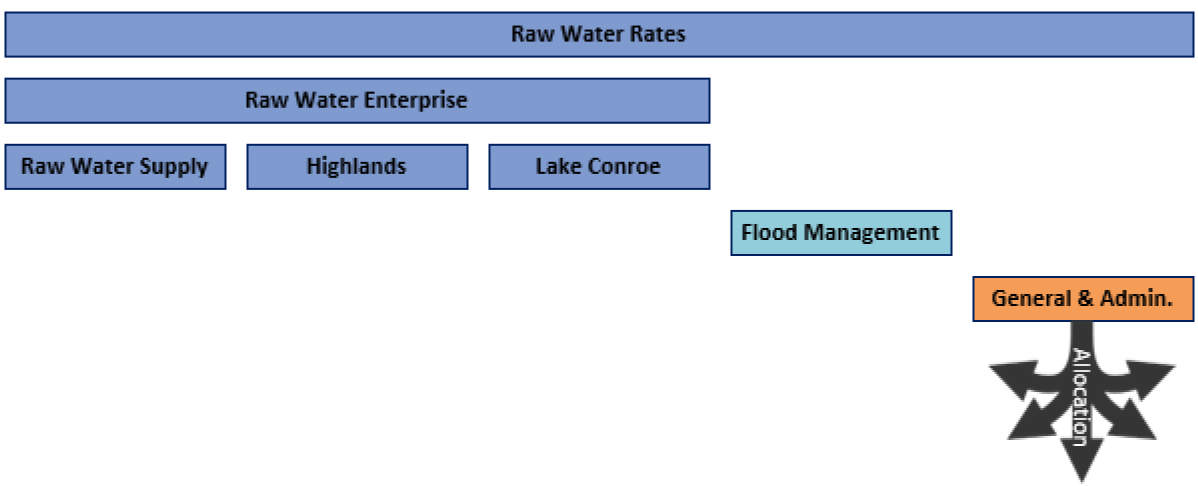
Rate	Effective Dates	FY2026	FY2027
Raw Water Supply			
Raw Water	1/1 - 12/31	$0.66	$0.72
Woodlands Division			
Wholesale Water	9/1 - 8/31	$2.73	$2.73
Wholesale Wastewater	9/1 - 8/31	$5.65	$5.65
GRP Blended Fee	9/1 – 8/31	$2.81	$2.83
GRP Division			
Groundwater Pumpage Fee	9/1 - 8/31	$2.51	$2.51
Surface Water	9/1 - 8/31	$3.10	$3.10

Raw Water Enterprise

The Raw Water Enterprise is composed of the Highlands and Lake Conroe Divisions and includes all revenues and expenses associated with the SJRA's overall raw water supply system that cannot be specifically allocated between the Highlands and Lake Conroe Divisions.

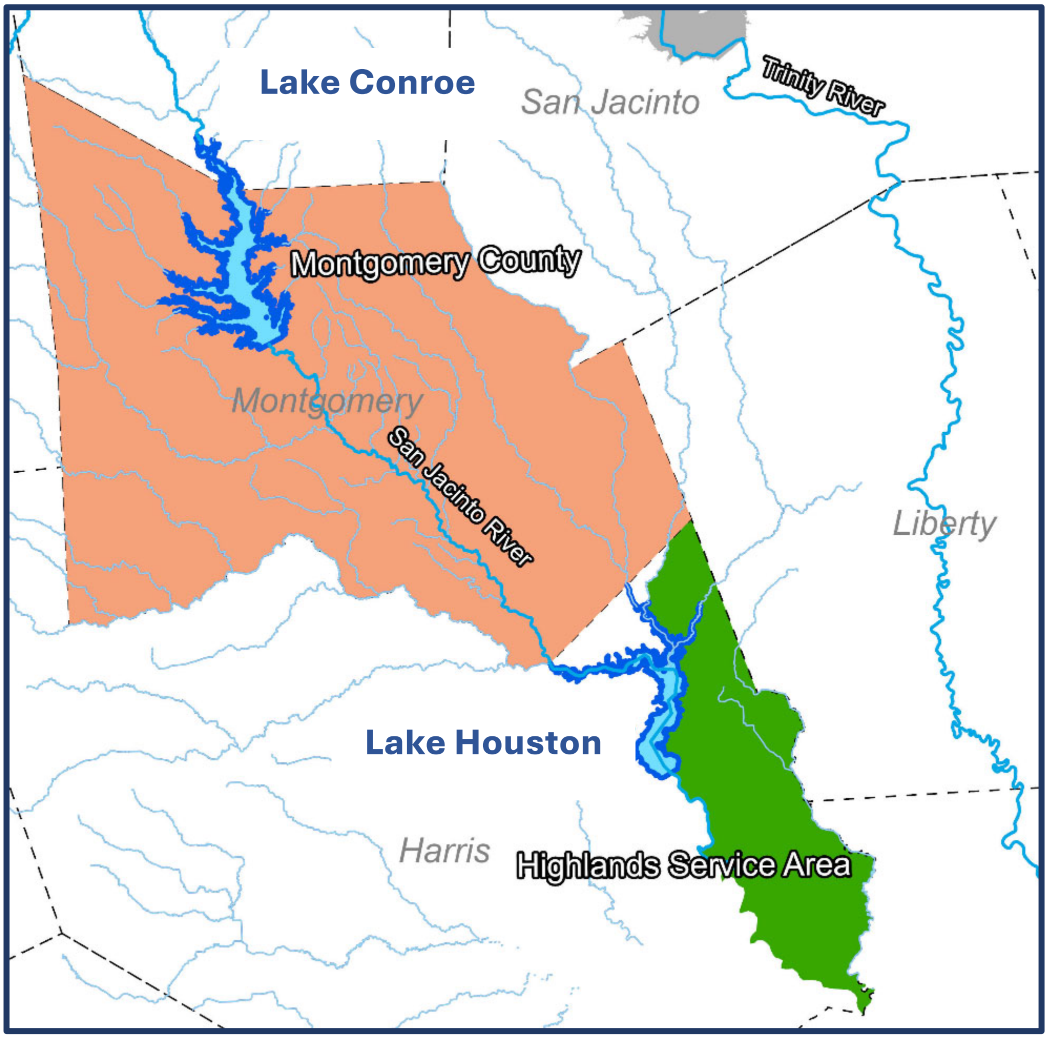


Additionally, expenses of the Flood Management Division, as well as any remaining unallocated expenses of the General and Administration (G&A) Division, are funded through Raw Water Supply revenues.



Raw Water Supply

SJRA's Raw Water Supply Planning efforts focus on long-term water supply planning, managing water rights permits, negotiating and managing raw water supply contracts with customers, and ensuring compliance with all associated contractual and regulatory requirements. The map below depicts SJRA's water supply service areas in Montgomery County and East Harris County.



Raw Water Supply Revenue

SJRA provides raw water to municipal, industrial, mining, and agricultural customers in Montgomery County and eastern Harris County, sourced from Lake Conroe, Lake Houston, and water deliveries from the Trinity River. Raw Water Supply's revenue is derived from a limited volume of water discharged from a SJRA Woodlands Division wastewater treatment facility and sold for reuse to customers downstream of the facility. These supplies are supported by SJRA's water rights in the San Jacinto River and its tributaries, Lake Conroe, Lake Houston, and the Trinity River.

The sale of untreated raw water for municipal, industrial, mining, and agricultural (irrigation) uses is included in the Raw Water Supply budget. Long-term water sales contracts represent the majority of raw water revenues and typically include annual "take-or-pay" provisions for specified quantities of water, regardless of actual usage. Some contracts also include reservations for future water purchases.

Annual residential water supply contracts are also offered to support landscape irrigation demands around Lake Conroe at a flat rate. With limited exceptions, including the flat rate applied to Lake Conroe residential irrigation customers and a separate rate for reuse customers, SJRA applies a single system-wide raw water rate and reserves the right to adjust rates periodically for the sale or reservation of raw water.

Short-term water supply contracts are also available for customers requiring water over limited periods. These contracts are priced at a higher rate than the system-wide rate but are not included in the budget due to their temporary, sporadic, and unpredictable nature.

Major Initiatives

The Raw Water Enterprise is currently engaged in, and plans to continue or initiate during FY2027, several activities that support the reliable delivery and long-term management of the Raw Water Supply system. These activities are summarized below.

1. **Water Rights Protection**

   SJRA 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. As opportunities arise, SJRA may seek to expand its water supply portfolio through the acquisition of additional water rights or contracts associated with those rights.

   Existing water rights may be affected by applications for new water rights submitted by third parties. To protect its interests, SJRA periodically intervenes with the Texas Commission on Environmental Quality (TCEQ) regarding the issuance of such permits. SJRA maintains agreements with specialized legal counsel and technical consultants to provide representation and support in these matters.

2. **Water Rights Acquisition**

   SJRA has submitted water right permit applications for various return flows in the San Jacinto River Basin, including but not limited to an application in partnership 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, pursuant to a previously executed agreement between all five parties. Activities related to acquisition of water rights are expected to continue throughout FY2027 and beyond.

Capital Improvement and Project Plans

The Raw Water Supply system does not currently own or maintain any physical assets, as the facilities used to store and deliver raw water are owned, operated, and maintained by the Highlands and Lake Conroe Divisions. Accordingly, no maintenance or construction projects outside of these Divisions are planned for Raw Water Supply in FY2027.

Non-construction activities supporting Raw Water Supply are planned for FY2027's budget and may span multiple fiscal years. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

As additional water supplies identified in SJRA's Raw Water Supply Master Plan become necessary, construction projects outside of the Highlands and Lake Conroe Divisions may be required to develop new water sources. At this time, Raw Water Supply is planning the construction of a pilot Catahoula Aquifer well in FY2029.

Total Indebtedness and Annual Debt Service

The Lake Conroe Division has no outstanding debt as of FY2026 and does not anticipate issuing any new debt during Fiscal Year 2027.

Staffing Plans

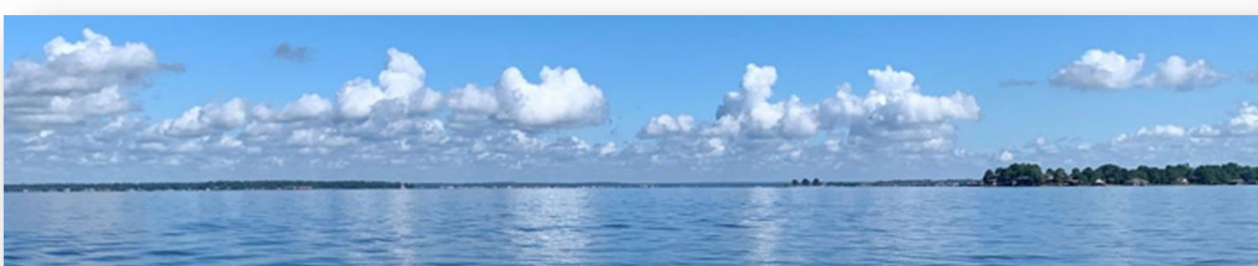
Raw Water Supply's FY2027 staffing plan includes no direct full-time equivalent (FTE) positions and no part-time, temporary, or intern positions. Staffing support is provided through allocations from other SJRA divisions and departments, with a total of 3.24 FTEs allocated from the Lake Conroe Division, Flood Management Division, and General & Administration (G&A) Departments.

Revenues

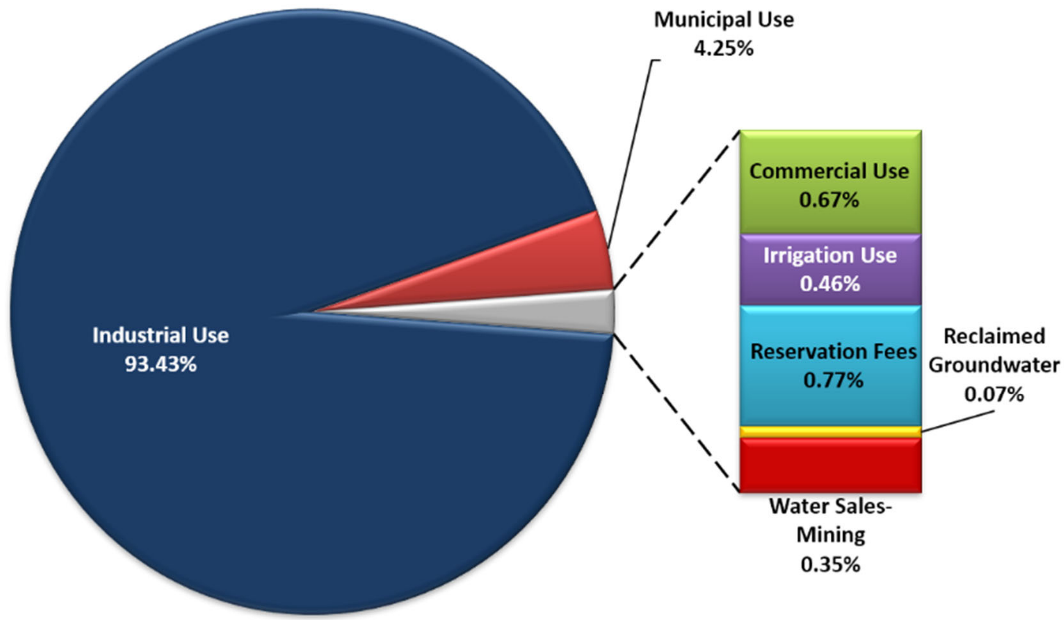
The FY2027 budget includes a raw water rate of $0.66 per 1,000 gallons ($215.06 per acre-foot) for calendar year 2026 and $0.72 per 1,000 gallons ($234.61 per acre-foot) for calendar year 2027. Unless otherwise specified in an individual contract, the corresponding reservation rate is established at 25% of the applicable raw water rate.

For the period of September through December 2026, which represents the first four months of FY2027, the raw water rate will remain at $0.66 per 1,000 gallons ($215.06 per acre-foot), with reservation rates continuing in accordance with the approved Raw Water Rate Order. The calendar year 2027 rates will become effective on January 1, 2027.

Total operating revenues for SJRA's Raw Water Supply are budgeted at $25,189,609 for FY2027.



Raw Water Supply FY2027 Total Operating Revenues:

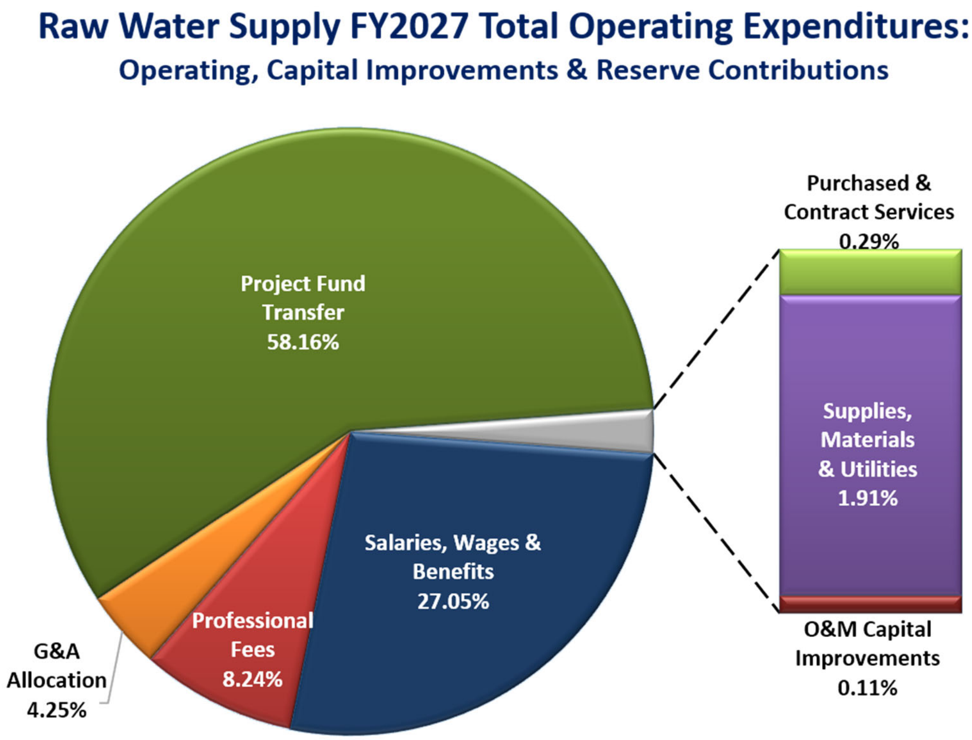


Expenditures

The FY2027 Raw Water Supply budget includes expenditures related to the analysis, planning, development, permitting, protection, tracking, and reporting of water rights and water supplies needed to meet current and projected demands within SJRA's service areas. These expenditures include the following:

- Salaries, wages, and benefits
- Professional fees
- Purchased and contracted services
- Supplies, materials, and utilities
- G&A allocations
- O&M capital improvements (non-bond related)
- Project fund contributions

Total FY2027 expenditures for SJRA's Raw Water Supply, including operating expenses, capital improvements, and other cash uses, are budgeted at $1,013,069.



Fund Balance and Reserves

SJRA maintains a combined General Fund Balance for the Raw Water Enterprise, which includes Raw Water Supply, the Highlands Division, and the Lake Conroe Division, as well as the Flood Management Division and any unallocated portions of the General and Administration (G&A) Division. Accordingly, the Raw Water Supply budget does not maintain separate operating or emergency reserve funds.

For FY2027, the net balance of the Raw Water Supply revenues, expenditures, and other cash uses totals $22,762,181. 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.

Project Fund

As approved by the Board of Directors on July 24, 2025, this budget includes the creation of a Project Fund for the Raw Water Supply Division.

The Project Fund was established to support large, ongoing, and planned projects in order to mitigate significant rate fluctuations. It is funded annually through a predetermined transfer of available O&M funds remaining after the Operating & Rate Stabilization Reserve and Emergency Reserve requirements are satisfied for the Lake Conroe, Highlands, and G&A Divisions. For FY2027, a contribution of $1,411,705 is budgeted for the Project Fund.

San Jacinto River Authority - Raw Water Supply Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
General Industrial Water Revenue	$ 17,086,692	$ 18,326,510	$ 17,257,102	$ 11,621,525	$ 20,219,802	$ 22,000,660
Water Sales-Industrial-Conroe	1,362,667	1,452,092	1,379,032	801,115	1,408,800	1,532,880
Water Sales-Municipal	3,126,697	2,816,528	908,912	185,333	669,180	1,070,598
Water Sales-Commercial	178,286	156,663	216,402	136,172	154,363	167,958
Water Sales-Reclaimed Groundwater	19,020	20,244	20,984	10,596	18,330	18,330
Water Sales-Irrigation	117,170	124,246	120,390	110	116,250	116,250
Industrial Reservation Fee	401,919	447,481	569,550	298,286	528,300	-
Municipal Reservation Fee	503,058	552,762	675,406	130,403	357,953	194,740
Water Sales-Mining-Lake Conroe	-	-	-	-	81,054	88,193
GRP Pumping Fees	-	-	2,621,959	292,305	-	-
TOTAL OPERATING REVENUES	**$ 22,795,509**	**$ 23,896,526**	**$ 23,769,736**	**$ 13,475,844**	**$ 23,554,031**	**$ 25,189,609**
OTHER REVENUES						
Interest Income	$ 302	$ 38	$ 314	$ 168	$ -	$ -
Miscellaneous Revenue	13	5,045	42	-	-	-
Fines	319	130	290	(180)	-	-
TOTAL OTHER REVENUES	**$ 635**	**$ 5,213**	**$ 646**	**$ (12)**	**$ -**	**$ -**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 332,039	$ 295,282	$ 301,339	$ 229,083	$ 429,231	$ 480,153
Group Insurance	54,357	54,068	44,758	38,573	58,177	84,804
Group Retirement Expense	33,694	38,721	35,128	25,237	48,941	54,673
Workers Compensation Insurance	2,485	619	1,608	734	2,146	1,895
Social Security Taxes	19,960	20,372	20,548	14,388	32,836	33,675
Employee Benefits Services	1,503	1,251	1,077	544	1,094	1,379
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 444,038**	**$ 410,313**	**$ 404,457**	**$ 308,558**	**$ 572,423**	**$ 656,580**
PROFESSIONAL FEES						
Legal Fees	$ 99,074	$ 87,694	$ 91,822	$ 23,550	$ 100,000	$ 100,000
Arbitrage Rebate Audit	-	-	4,045	-	-	-
Paying Agent Fees	800	-	-	-	-	-
Engineering	307,911	92,505	43,748	5,943	100,000	100,000
TOTAL PROFESSIONAL FEES	**$ 407,784**	**$ 180,199**	**$ 139,615**	**$ 29,493**	**$ 200,000**	**$ 200,000**
PURCHASED & CONTRACTED SERVICES						
State Fees	$ 6,701	$ 6,701	$ 6,701	$ 6,701	$ -	$ 6,701
Employee Testing- New	-	-	-	-	8	-
Website Hosting & Maintenance	-	42	-	122	290	366
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 6,701**	**$ 6,743**	**$ 6,701**	**$ 6,823**	**$ 298**	**$ 7,067**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 28	$ -	$ -	$ -	$ 150	$ 150
Travel	864	381	1,228	14	1,300	2,000
Automobile & Truck Expense	-	-	-	-	500	200
Postage	-	17	-	-	100	500
Training	514	765	1,220	345	700	1,500
Training-Employee HR	60	10	5	-	464	585
Managers Expense	736	1,155	787	-	1,000	1,000
Employee Relations	-	-	26	488	1,243	1,568
Fuel	-	-	-	-	50	50
Memberships & Professional Dues	74	100	95	-	70	50
Additional Water Fees	237,500	95,000	-	-	-	-
Health & Wellness Program	-	69	30	8	133	167
Recruiting Expenses	138	92	226	-	994	732
Computer Hardware	-	3,043	475	234	1,756	2,236
Physical Security	-	-	-	-	583	735
Software & Support	-	2,336	7,406	5,772	21,652	30,603
Software Maintenance	-	-	-	835	-	-
Network Communications	-	549	526	408	1,417	1,747
Newspaper Ads	-	-	-	-	1,800	2,500
Landline Telephone Services	-	380	732	1,113	-	-
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 239,915**	**$ 103,897**	**$ 12,754**	**$ 9,217**	**$ 33,911**	**$ 46,323**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 46,267	$ 60,117	$ 52,063	$ 33,355	$ 92,554	$ 103,099
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 46,267**	**$ 60,117**	**$ 52,063**	**$ 33,355**	**$ 92,554**	**$ 103,099**

San Jacinto River Authority - Raw Water Supply Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
TOTAL OPERATING EXPENSES	**$ 1,144,705**	**$ 761,270**	**$ 615,590**	**$ 387,445**	**$ 899,187**	**$ 1,013,069**
NON-OPERATING EXPENSES						
Interest Expense	$ 112,600	$ 50,583	$ 3,783	$ -	$ -	$ -
TOTAL NON-OPERATING EXPENSES	**$ 112,600**	**$ 50,583**	**$ 3,783**	**$ -**	**$ -**	**$ -**
TOTAL EXPENSES	**$ 1,257,305**	**$ 811,853**	**$ 619,374**	**$ 387,445**	**$ 899,187**	**$ 1,013,069**
NET REVENUES OVER EXPENSES	**$ 21,538,839**	**$ 23,089,886**	**$ 23,151,009**	**$ 13,088,388**	**$ 22,654,845**	**$ 24,176,540**
CAPITAL IMPROVEMENTS[1]						
Computer Equipment					$ 2,817	$ 2,654
TOTAL CAPITAL IMPROVEMENTS					**$ 2,817**	**$ 2,654**
OTHER SOURCES (USES)[1]						
Repair and Replacement Transfers					$ (583,667)	$ (1,411,705)
TOTAL OTHER SOURCES (USES)					**$ (583,667)**	**$ (1,411,705)**
NET CASH BASIS SOURCES (USES)	**$ 21,538,839**	**$ 23,089,886**	**$ 23,151,009**	**$ 13,088,388**	**$ 22,068,361**	**$ 22,762,181**

[1]Actuals intentionally left blank.

San Jacinto River Authority - Raw Water Supply Project Fund
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ -	$ -	$ -	$ 2,645	$ -	$ -
TOTAL OTHER REVENUES	**$ -**	**$ -**	**$ -**	**$ 2,645**	**$ -**	**$ -**
PROJECTS[(1)]						
Estimated FY2027 Projects Spend					$ 550,000	$ 1,799,000
TOTAL PROJECTS					**$ 550,000**	**$ 1,799,000**
OTHER SOURCES (USES)[(1)]						
Cash Sources (Uses)					$ -	$ 387,295
Operating Fund Transfers					550,000	1,411,705
TOTAL OTHER SOURCES (USES)					**$ 550,000**	**$ 1,799,000**
NET CASH BASIS SOURCES (USES)	**$ -**	**$ -**	**$ -**	**$ 2,645**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
RM89H - MUDs 8&9 and Huntsville Return Flows Water Right Permit	In Progress	$ 270,000	$ (32,000)	$ 238,000	$ 23,000
RRFFS - Regional Return Flows Feasibility Study and Permitting	In Progress	1,529,000	1,750,000	3,279,000	314,000
RASRF - Aquifer Storage and Recovery Feasibility	Planned	300,000	38,000	338,000	223,000
RCATS - Catahoula Aquifer Water Supply Development	Planned	-	2,981,000	2,981,000	536,000
RSWSA - Surface Water Supplies Analysis	Planned	-	100,000	100,000	100,000
RWSWP - Surface Water Planning	Planned	-	268,000	268,000	268,000
RTWRT - Trinity Water Rights Transportation Analysis	Planned	-	335,000	335,000	335,000
TOTAL PROJECT LIST		**$ 2,099,000**	**$ 5,440,000**	**$ 7,539,000**	**$ 1,799,000**

(1) Actuals intentionally left blank.

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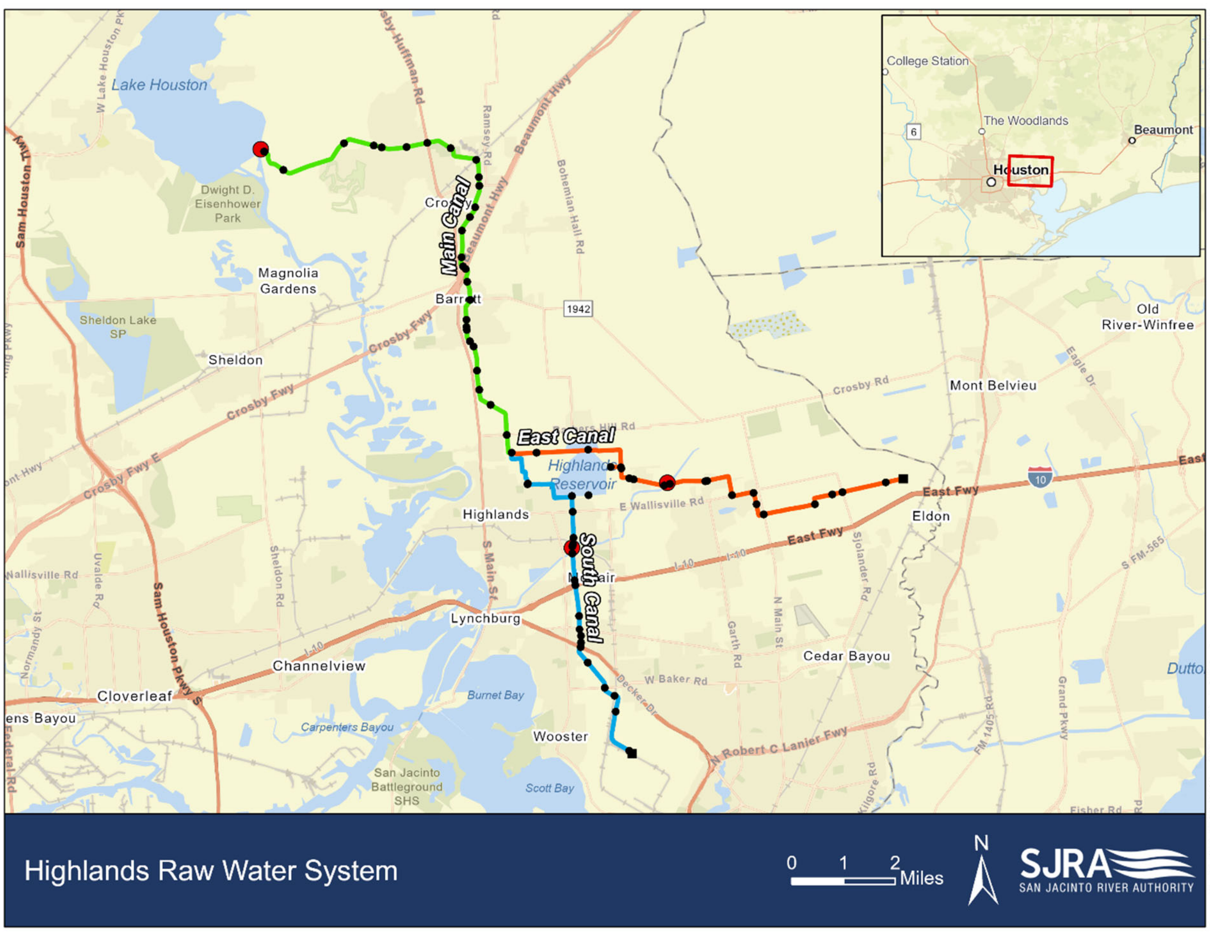
Highlands Division

The Highlands Division operates and maintains the Raw Water System to supply raw water (untreated 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 SJRA. 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 SJRA 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



Major Initiatives:

Several major initiatives to improve the operations of the Highlands system occurred in FY2026 or are planned for FY2027.

1. **Maintenance Activities**

   The maintenance of the Raw Water System in the Highlands encompasses a comprehensive set of responsibilities designed to ensure system reliability, safety, and operational efficiency. Key activities include:

   - Compliance with Safety Regulations – Implementing dam and levee safety regulations in accordance with established federal, state, and local standards.
   - Levee and Canal Integrity – Ensuring canal and reservoir levees remain in optimal operational condition through regular inspection, maintenance, and repairs.
   - Flow Capacity Maintenance – Preserving the flow capacity of siphons, culverts, and associated structures within the system to support uninterrupted water delivery.
   - Pump Station Equipment Maintenance – Repairing and replacing equipment at pump stations to ensure continuous and efficient operation.
   - Equipment and Fleet Maintenance – Maintaining all operational and construction equipment, including fleet and heavy machinery, in reliable and functional condition.
   - Asset Management – Utilizing the Computerized Maintenance Management System (CMMS) to document, schedule, and track both preventative and corrective maintenance activities across all Division assets.
   - Security Enhancements – Installing and maintaining gates and fencing throughout the system to enhance security and control access.

2. **Operational Activities:**

   The operation of the Highlands Raw Water System is a continuous, year-round responsibility that requires constant monitoring and timely equipment adjustments to ensure reliable delivery of raw water to customers. This includes overseeing pumping stations, water control gates, and measurement devices, with staff actively using the SCADA system to monitor system performance and make real-time flow and gate control adjustments as needed. Operations also involve close coordination with a wide range of external stakeholders, including customers, vendors, consultants, contractors, utilities, regulatory agencies, law enforcement, and the local community. During emergencies, operations may require activation of on-site power generation and the support of external contractors, particularly during severe weather events. To meet these around-the-clock demands, an on-call schedule is maintained for operations personnel.

3. **Asset Management:**

   The Highlands Division is actively enhancing its asset management practices by revising and expanding its existing program. A key part of this effort is the adoption of the SJRA's Enterprise Asset Management and Computerized Maintenance Management System (EAM/CMMS), which enables comprehensive tracking of assets throughout their lifecycle, supports both preventive and corrective maintenance planning, and helps determine optimal asset replacement timing.

Capital Improvement and Other Project Plans

Each year the Highlands Division conducts risk and condition assessments of their infrastructure. The Highlands 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 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 FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

On August 31, 2025, the Highlands Division currently had $37,305,000 of total indebtedness from bonds related to Highlands projects, made up of the following bond issuances:

- Series 2014 Water Revenue Bonds (Outstanding: $3,815,000; Matures 10/1/39)
- Series 2015 Water Revenue Bonds (Outstanding: $20,830,000; Matures 10/1/39)
- Series 2019A Water Revenue Refunding Bonds (Outstanding: $12,660,000; Matures 10/1/35)

Annual debt service (principal and interest) for FY2027 for the above bond issuances is $3,669,539. 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 FY2027 includes 14 direct FTE positions, with no part-time, temporary, or intern positions. In addition to these 14 FTEs, the Highlands Division is allocated 18.94 FTEs for FY2027 from the Lake Conroe and Flood Management Divisions and G&A Departments. Total staff in FY2027 associated with the Highlands Division, direct and allocated, is 32.94 FTEs.

Revenues

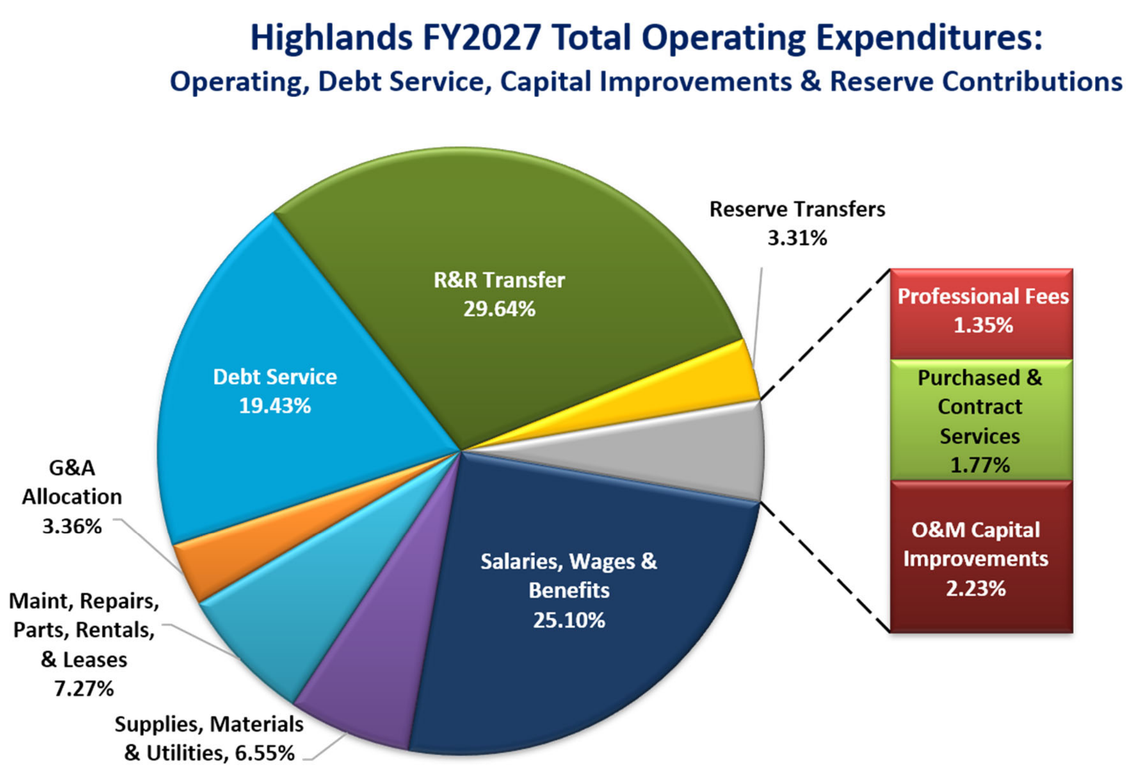
The Highlands Division operating budget includes $5,000 for Crossing and Encroachment fees during FY2027.

Expenditures

The Highlands Division for FY2027 contains regular and customary expenses related to the on-going operation and maintenance of 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 FY2027, including operating, non-operating, debt service, capital improvements, and any other cash uses, totals $19,306,544. Highlands Division expected R&R Fund estimated project spend totals $15,689,681.



Fund Balance and Reserves:

SJRA'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 July 24, 2025, the reserve policy for the Highlands Division utilizes two reserves and a R&R Fund:

1. **Operating & Rate Stabilization Reserve**

   The Highlands Division Operating & Rate Stabilization Reserve (Operating Reserve) was established to support cash flow needs and help stabilize rates and revenues. For FY2026, the Operating Reserve target was set at an amount equal to six months of operating expenditures, resulting in a target balance of $3,492,198. The FY2027 Operating Reserve is projected to fall below this target; therefore, an additional contribution of $624,805 has been budgeted to restore the reserve toward its targeted balance.

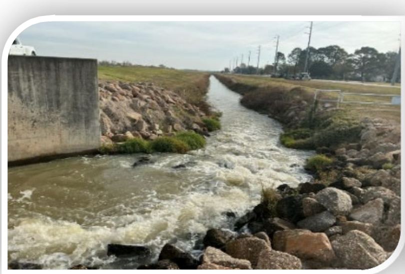
2. **Emergency Reserve***:*

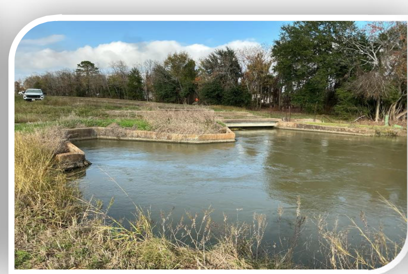
   The Highlands Division Emergency Reserve was established to provide a funding source, in whole or in part, for unplanned or emergency repairs and replacements of SJRA capital assets, excluding those associated with the Woodlands and GRP Divisions. The General Fund Emergency Reserve has a target balance of $11 million, consisting of $5 million for the Lake Conroe Division, $5 million for the Highlands Division, and $1 million for the G&A Division. These target balances are planned to be achieved through contributions over a five-year period. No contribution to the Emergency Reserve is budgeted for FY2027.

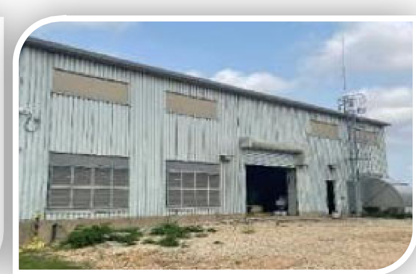
3. **Repair & Replacement (R&R Fund)**

   The Highlands Division R&R Fund was established to fund major ongoing and planned capital projects while minimizing significant rate fluctuations. The R&R Fund is funded through an annual transfer of available O&M funds after the funding requirements for the Operating & Rate Stabilization Reserve and the Emergency Reserve have been satisfied. For FY2027, a contribution of $5,598,015 to the R&R Fund is budgeted.

For FY2027, the Highlands Division is projected to have net O&M expenses of $18,884,672 after accounting for O&M revenues and expenditures, annual debt service, and scheduled contributions to the Operating Reserve, Emergency Reserve, and R&R Fund. These expenses will be funded by Raw Water Supply revenues provided through the Raw Water Enterprise.







San Jacinto River Authority - Highlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Crossing & Encroachment Fees	$ -	$ -	$ -	$ -	$ 25,000	$ 5,000
Capital Contributions	764,228	-	-	-	-	-
TOTAL OPERATING REVENUES	**$ 764,228**	**$ -**	**$ -**	**$ -**	**$ 25,000**	**$ 5,000**
OTHER REVENUES						
Interest Income	$ 232,364	$ 209,609	$ 22,723	$ 5,510	$ -	$ -
Miscellaneous Revenue	75,812	1,877	1,754	-	-	-
FEMA Grant Revenue	-	-	6,962	42,274	-	-
Proceeds From Sale Of Assets	-	-	-	20,650	-	-
Other Gains & Losses	125,946	40,000	(4,156)	-	-	-
TOTAL OTHER REVENUES	**$ 434,122**	**$ 251,486**	**$ 27,282**	**$ 68,434**	**$ -**	**$ -**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 2,592,832	$ 2,365,557	$ 2,289,918	$ 1,515,690	$ 2,985,456	$ 3,315,292
Compensated Absences	15,694	33,566	(5,439)	-	-	-
Group Insurance	435,707	416,951	395,512	291,271	538,807	700,034
Group Insurance - Retirees	(34,771)	(161,928)	(6,335)	-	50,000	50,000
Group Insurance - Retiree OPEB	12,554	13,153	13,851	8,472	15,482	15,876
Group Retirement Expense	253,521	290,261	153,140	139,881	340,201	371,653
Workers Compensation Insurance	36,026	27,001	31,617	11,360	35,529	27,520
Social Security Taxes	182,199	173,722	170,249	107,857	228,387	249,663
Employee Benefits Services	13,441	12,452	12,205	5,676	11,232	11,887
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 3,507,203**	**$ 3,170,736**	**$ 3,054,718**	**$ 2,080,206**	**$ 4,205,094**	**$ 4,741,924**
PROFESSIONAL FEES						
Legal Fees	$ 13,388	$ 9,825	$ 31,758	$ 1,863	$ 5,000	$ 5,000
Disclosure Filing	500	-	-	1,500	500	500
Annual Financial Audit	11,034	10,499	14,083	9,250	16,800	25,133
Arbitrage Rebate Audit	3,250	-	7,295	-	3,250	-
Management Audit	-	-	-	11,197	11,200	-
Paying Agent Fees	1,500	3,150	2,475	1,650	2,475	2,475
Engineering	31,893	1,158	14,744	-	95,000	180,000
Inspections	408	-	-	-	2,200	3,500
Staffing Services	17,305	661	-	-	-	-
Safety Inspections & Testing	587	857	1,898	3,396	2,500	2,000
Siphon & Pipe Inspections	13,276	14,460	22,263	-	30,000	30,000
Public Relations Consultant	-	10,000	-	-	-	-
Graphic Design	1,250	3,450	3,450	1,610	6,000	6,000
TOTAL PROFESSIONAL FEES	**$ 94,390**	**$ 54,060**	**$ 97,965**	**$ 30,466**	**$ 174,925**	**$ 254,608**
PURCHASED & CONTRACTED SERVICES						
Waste Disposal Services	$ 21,801	$ 8,683	$ 9,428	$ 7,532	$ 18,000	$ 18,000
State Fees	125	125	128	-	210	170
Patrolling & Security Services	-	-	-	-	-	100,000
Employee Testing- New	333	151	612	31	1,085	800
Janitorial Services	6,420	6,420	11,168	6,420	16,000	13,500
Stream Gauging & Water Quality-USGS	16,758	16,800	12,600	-	16,800	16,800
CWA Water Conveyance	113,203	129,678	162,706	52,763	120,000	120,000
Trucking	2,000	435	450	990	3,200	2,000
Water Conservation & Public Education	11,725	31,220	4,382	1,000	55,694	55,694
Website Hosting & Maintenance	-	526	-	1,248	2,978	3,152
Meeting Expenses	5,346	4,163	3,542	688	5,000	5,000
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 177,711**	**$ 198,201**	**$ 205,016**	**$ 70,672**	**$ 238,967**	**$ 335,116**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 2,108	$ 2,569	$ 3,792	$ 645	$ 5,000	$ 5,000
Other Office Expense	3,946	2,886	3,524	1,324	5,000	5,000
Travel	1,078	3,465	1,951	665	8,000	5,000
Automobile & Truck Expense	14,593	24,804	32,807	6,662	30,000	30,000
Storm Preparedness & Response	66	675	871	122	2,500	2,500
Postage	564	452	554	444	750	750
Property Insurance	23,871	27,558	39,204	23,053	54,379	43,124
Auto Insurance	21,939	20,522	22,290	12,994	24,569	24,519
Liability Insurance	10,491	10,442	10,966	8,191	14,918	12,062
Small Tools Purchases	4,931	3,947	3,457	23	6,000	6,000
Training	9,640	5,004	6,674	490	35,000	30,000

San Jacinto River Authority - Highlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Training-Employee HR	1,409	669	1,730	641	4,765	5,043
Safety Training	-	-	-	224	3,015	1,000
Managers Expense	1,580	575	563	302	2,500	2,500
Employee Relations	4,105	5,731	3,037	5,248	18,763	15,608
Fuel	61,184	35,591	35,921	76,043	60,000	65,000
Uniform Services	5,648	5,636	6,244	4,594	7,000	12,500
Supplies	9,088	10,913	8,676	3,380	30,000	25,000
Other Operating Expenses	-	125	-	-	-	-
Memberships & Professional Dues	1,269	821	525	58	1,000	1,000
Signage	6,610	2,805	1,305	2,541	15,000	10,000
Janitorial Supplies	181	133	496	382	2,500	3,000
Copier, Scanner & Fax	7,223	3,003	2,337	1,366	3,000	3,000
Utilities-Electric	150,788	133,366	138,431	155,796	175,250	287,000
Utilities-Natural Gas	3,552	6,559	7,683	4,017	4,000	7,500
Utilities-Water	1,129	918	986	507	1,500	1,000
Utilities-Raw Water	21,556	16,273	22,496	11,367	25,000	25,000
Personal Protective Equipment	5,666	3,802	5,482	2,810	9,000	5,000
Safety Equipment & Meetings	4,740	2,383	7,426	442	14,200	10,000
Health & Wellness Program	-	850	147	145	1,361	1,441
Recruiting Expenses	1,433	968	2,736	380	10,211	6,304
Computer Hardware	12,639	63,564	28,788	14,304	71,739	97,271
Physical Security	12,795	15,458	13,534	4,093	55,984	56,333
Software & Support	107,972	126,680	161,439	119,499	330,070	301,963
Software Maintenance	29,188	32,320	35,956	37,249	54,965	51,080
Network Communications	17,912	12,272	17,099	7,713	40,800	40,800
Publications & Subscriptions	-	242	-	-	500	500
Newspaper Ads	2,564	3,644	1,332	1,056	6,500	6,500
Wireless Devices & Services	19,385	21,152	23,628	9,011	21,825	22,725
Phone System-Install, Maintenance, & Changes	4,149	151	265	-	2,250	2,250
Emergency Operations Communications	2,770	1,723	1,534	923	6,000	6,000
Landline Telephone Services	5,740	6,179	1,582	1,277	903	780
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 595,503**	**$ 616,830**	**$ 657,468**	**$ 519,983**	**$ 1,165,717**	**$ 1,237,051**
RENTALS						
Equipment Rentals	$ 106,868	$ 66,050	$ 36,275	$ 17,751	$ 100,000	$ 100,000
TOTAL RENTALS	**$ 106,868**	**$ 66,050**	**$ 36,275**	**$ 17,751**	**$ 100,000**	**$ 100,000**
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ 26,786	$ 63,978	$ 36,211	$ 39,065	$ 66,500	$ 83,350
Office, Furniture, & Fixtures	1,157	1,127	5,749	-	3,000	10,000
Buildings	-	-	71	-	-	-
Buildings & Grounds	18,764	68,358	54,984	16,136	36,000	50,000
Security System Monitoring	585	360	900	1,445	1,000	2,000
Generators	17,031	11,618	35,070	7,268	40,000	20,000
Pumps & Motors	-	825	-	-	-	-
Machinery, Tools, & Implements	84,496	91,444	64,645	6,319	80,000	80,000
Bridges, Culverts, & Siphons	70,422	92,121	19,463	58,821	100,000	160,000
Networking and Communications - SCADA	31,280	65,562	6,363	26,395	35,700	40,900
Canals, Levees, & Dam Maintenance	19,145	41,796	92,485	400	110,000	150,000
Invasive Species Management	5,309	7,720	33,383	-	80,000	60,000
Streets & Roads	25,000	20,000	45,000	-	70,000	70,000
Lake Houston Pump Station Maintenance & Repairs	167,390	110,331	123,928	130,654	476,000	525,000
Inventory Gains and Losses	-	-	(0)	-	-	-
Bad Debt Expense	-	173,578	-	-	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 467,365**	**$ 748,818**	**$ 518,254**	**$ 286,502**	**$ 1,098,200**	**$ 1,251,250**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 432,734	$ 329,226	$ 302,609	$ 194,816	$ 567,431	$ 634,354
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 432,734**	**$ 329,226**	**$ 302,609**	**$ 194,816**	**$ 567,431**	**$ 634,354**
TOTAL OPERATING EXPENSES	**$ 5,381,774**	**$ 5,183,922**	**$ 4,872,304**	**$ 3,200,395**	**$ 7,550,334**	**$ 8,554,304**
NON-OPERATING EXPENSES						
Interest Expense	$ 1,655,366	$ 1,586,692	$ 1,514,524	$ 836,707	$ 1,429,206	$ 1,337,872
Interest Expense - Lease	5,431	4,492	3,014	1,058	1,492	396
TOTAL NON-OPERATING EXPENSES	**$ 1,660,797**	**$ 1,591,184**	**$ 1,517,538**	**$ 837,765**	**$ 1,430,699**	**$ 1,338,268**
TOTAL EXPENSES	**$ 7,042,571**	**$ 6,775,105**	**$ 6,389,842**	**$ 4,038,161**	**$ 8,981,032**	**$ 9,892,572**

San Jacinto River Authority - Highlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
NET REVENUES OVER EXPENSES	**$ (5,844,221)**	**$ (6,523,619)**	**$ (6,362,560)**	**$ (3,969,727)**	**$ (8,956,032)**	**$ (9,887,572)**
CAPITAL IMPROVEMENTS[1]						
Building					$ -	$ 23,000
Reservoir Improvements					35,000	-
Siphons[3]					688,000	-
Pump Station[3]					5,259,000	100,000
Other Machinery & Equipment					140,000	141,000
Transportation Equipment					-	135,000
Security System					120,000	-
Computer Equipment					52,930	22,873
TOTAL CAPITAL IMPROVEMENTS					**$ 6,294,930**	**$ 421,873**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)[3]					$ 5,947,000	$ -
Bond Principal					(2,232,917)	(2,331,667)
Lease Principal					(50,590)	(20,741)
Operating Reserve					(154,989)	(624,805)
Emergency Reserve Transfers					(65,000)	-
Repair and Replacement Transfers					(3,793,914)	(5,598,015)
TOTAL OTHER SOURCES (USES)					**$ (350,410)**	**$ (8,575,227)**
NET CASH BASIS SOURCES (USES)	**$ (5,844,221)**	**$ (6,523,619)**	**$ (6,362,560)**	**$ (3,969,727)**	**$ (15,601,372)**	**$ (18,884,672)**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
HPSEV[2][3] - Lake Houston Pump Station Pump and Motor Replacem	In Progress	$ 14,715,504	$ (14,715,504)	$ -	$ -
HGART[2][3] - Garth Road Siphon Improvements	Planned	7,487,000	(7,487,000)	-	-
HSCPC[2][3] - South Canal Transfer Pump Station Capacity Improvem	Cancelled	14,353,000	(14,353,000)	-	-
HSCLS[2][5] - South Canal Levee Improvements Between Siphon 37 a	In Progress	1,196	-	1,196	-
HSCLS[2][6] - South Canal Levee Improvements Between Siphon 37 a	In Progress	99,936	-	99,936	-
TOTAL PROJECT LIST		**$ 36,656,635**	**$ (36,555,504)**	**$ 101,131**	**$ -**

[1]Actuals intentionally left blank.
[2]Multi-funded project- amounts shown are only for the funding souce of the report.
[3]Bond funds not issued.
[4]Includes Estimated FY2027 Project Spend.
[5]Previously spent O&M Funds
[6]Previoulsy spent 2015 Bond Funds

San Jacinto River Authority - Highlands Repair and Replacement
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 616,356	$ 839,533	$ 684,239	$ 366,453	$ 185,000	$ 185,000
TOTAL OTHER REVENUES	**$ 616,356**	**$ 839,533**	**$ 684,239**	**$ 366,453**	**$ 185,000**	**$ 185,000**
PROJECTS(1)						
Estimated FY2027 Projects Spend					$ 15,910,154	$ 15,689,681
TOTAL PROJECTS					**$ 15,910,154**	**$ 15,689,681**
OTHER SOURCES (USES)(1)						
Cash Sources (Uses)					$ 14,744,884	$ 11,074,212
Operating Fund Transfers					3,752,994	5,584,715
TOTAL OTHER SOURCES (USES)					**$ 18,497,878**	**$ 16,658,927**
NET CASH BASIS SOURCES (USES)	**$ 616,356**	**$ 839,533**	**$ 684,239**	**$ 366,453**	**$ 2,772,724**	**$ 1,154,246**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
HS22I - Siphon 22 Culvert Improvements	In Progress	$ 602,180	$ (115,437)	$ 486,743	$ 61,081
HSCLS(2) - South Canal Levee Improvements Between Siphon 37 anc	In Progress	911,451	362,844	1,274,295	-
HSI39(2) - Siphon 39 Improvements	In Progress	8,229,854	577,199	8,807,053	1,820,000
HPSEV(2) - Lake Houston Pump Station Pump and Motor Replaceme	In Progress	439,842	15,589,824	16,029,666	10,162,600
HDS2I - Structure 2 Improvements	In Progress	1,939,070	(872,999)	1,066,071	865,000
HL324 - South Canal Levee Improvements Between Structure 3 and	In Progress	4,416,885	(1,013,141)	3,403,744	274,000
HSI21 - Siphon 21 Improvements	In Progress	4,085,000	325,318	4,410,318	429,000
HSCGR - South Canal Transfer Pump Station Generator Replaceme	Planned	-	1,008,000	1,008,000	311,000
HCSRP - Annual Canal Silt Removal Program	Planned	-	402,000	402,000	402,000
HGART(2) - Garth Road Siphon Improvements	Planned	-	4,892,887	4,892,887	278,000
HSI32 - Siphon 32 Improvements	Planned	-	5,180,000	5,180,000	378,000
HSI33 - Siphon 33 Improvements	Planned	-	4,746,000	4,746,000	342,000
HSI34 - Siphon 34 Improvements	Planned	-	5,146,000	5,146,000	367,000
HMLRN - Main Canal Improvements - Lake Houston Pump Station to	In Progress	9,520,620	1,792,271	11,312,891	-
HML79 - Levee Improvements Between Siphon 7 and Siphon 9	In Progress	3,520,015	1,079,000	4,599,015	-
HECPI - East Canal Transfer Pump Station Campus Improvements	In Progress	865,111	205,000	1,070,111	-
TOTAL PROJECT LIST		**$ 34,530,028**	**$ 39,304,766**	**$ 73,834,794**	**$ 15,689,681**

(1)Actuals intentionally left blank.
(2)Multi-funded project- amounts shown are only for the funding souce of the report.

San Jacinto River Authority - Highlands Customer Contribution
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capital Contributions	$ -	$ 547,207	$ -	$ 324,618	$ 3,005,275	$ 157,000
TOTAL OPERATING REVENUES	**$ -**	**$ 547,207**	**$ -**	**$ 324,618**	**$ 3,005,275**	**$ 157,000**
OTHER REVENUES						
Interest Income	$ 10,162	$ 8,367	$ 16,782	$ 6,483	$ -	$ -
TOTAL OTHER REVENUES	**$ 10,162**	**$ 8,367**	**$ 16,782**	**$ 6,483**	**$ -**	**$ -**
PROJECTS(1)						
Estimated FY2027 Projects Spend					$ 3,005,275	$ 157,000
TOTAL PROJECTS					**$ 3,005,275**	**$ 157,000**
OTHER SOURCES (USES)						
Cash Sources (Uses)	$ (261,838)	$ 248,179	$ (223,032)	$ 96,038	$ -	$ -
TOTAL OTHER SOURCES (USES)	**$ (261,838)**	**$ 248,179**	**$ (223,032)**	**$ 96,038**	**$ -**	**$ -**
NET CASH BASIS SOURCES (USES)	**$ (251,676)**	**$ 803,753**	**$ (206,250)**	**$ 427,140**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
HSCLS[2] - South Canal Levee Improvements Betweds Customer Cor	In Progress	$ 2,088,809	$ (362,844)	$ 1,725,966	$ 157,000
HSCPC[2] - South Canal Transfer Pump Station Capacity Improvemei	Cancelled	6,854,228	(6,593,033)	261,195	-
HSI39[2] - Siphon 39 Improvements	In Progress	577,199	(577,199)	-	-
TOTAL PROJECT LIST		**$ 9,520,236**	**$ (7,533,075)**	**$ 1,987,161**	**$ 157,000**

(1)Actuals intentionally left blank.
(2)Multi-funded project- amounts shown are only for the funding souce of the report.

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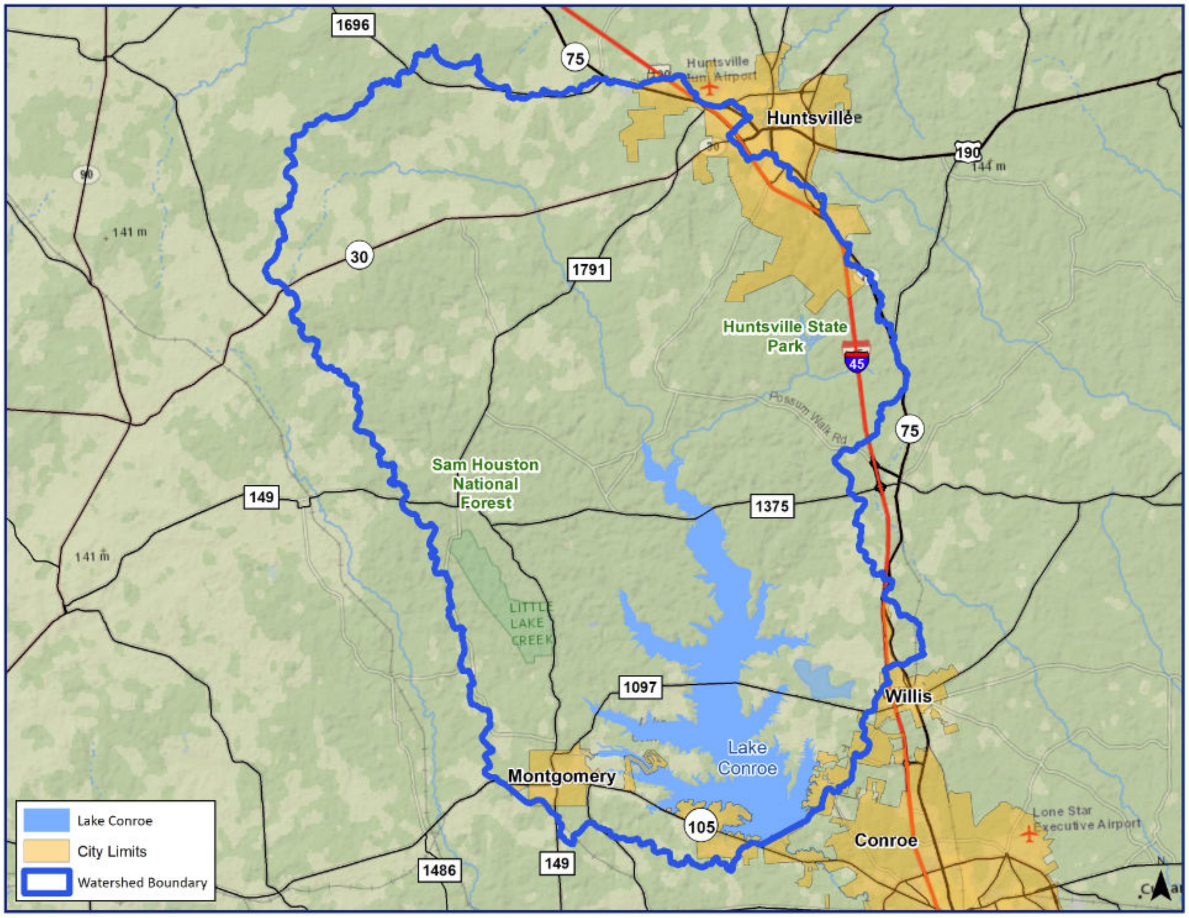
Lake Conroe Division

The Lake Conroe Division is responsible for managing and operating the Lake Conroe dam and reservoir. Completed in 1973, Lake Conroe was developed through a joint partnership between SJRA and the City of Houston as a long-term water supply reservoir. Under the agreement, SJRA holds water rights to one-third of the reservoir's annual permitted yield, while the City of Houston holds the remaining two-thirds. Consistent with its ownership interest, the City of Houston reimburses approximately two-thirds of the Lake Conroe Division's annual operating 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 SJRA lands including the reservoir;
- administer the permanent easement and SJRA owned land encroachment policy; and
- administer the rules and regulations for the Lake Conroe reservoir.

Map of Lake Conroe Watershed



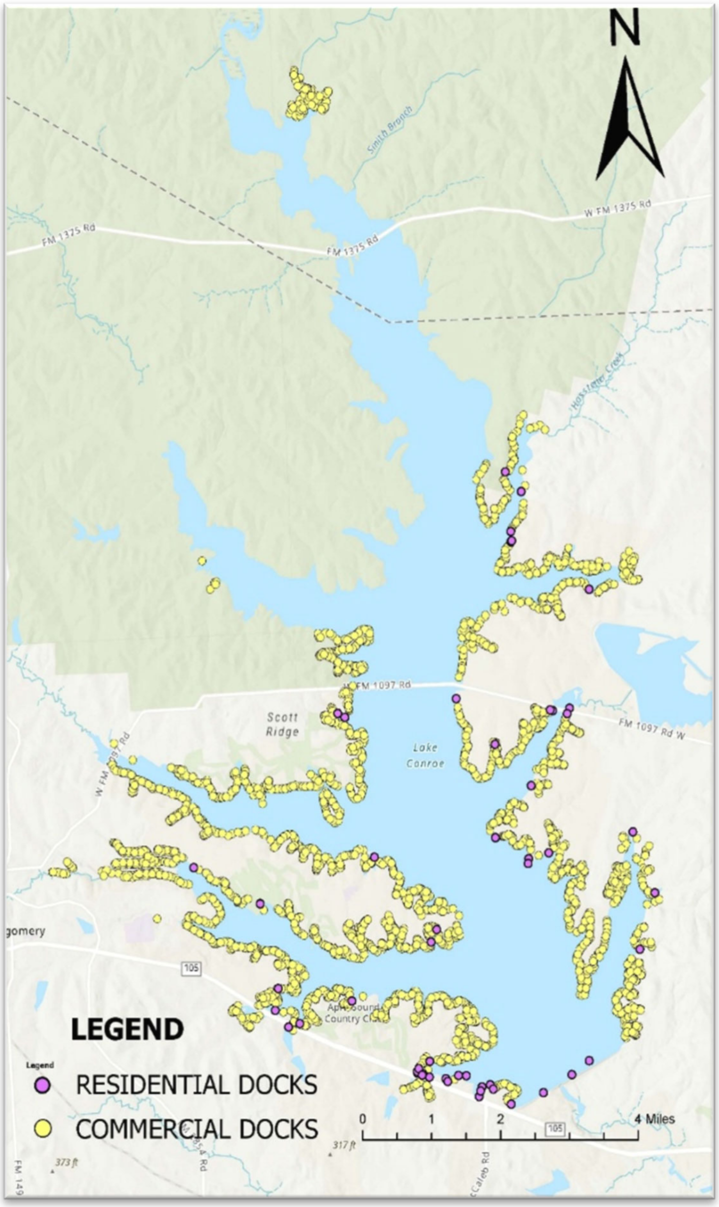
Reservoir Characteristics and Water Supply

As authorized by the State of Texas, Lake Conroe has an annual permitted yield of 100,000 acre-feet (ac-ft), with SJRA holding water rights to 33,333 ac-ft per year and the City of Houston holding water rights to the remaining 66,667 ac-ft per year. Lake Conroe was created by the construction of a 2.2-mile earthen dam and gated spillway on the West Fork of the San Jacinto River. The reservoir encompasses approximately 20,000 surface acres across Montgomery and Walker Counties and, at its conservation pool elevation of 201 feet above mean sea level, stores approximately 400,000 acre-feet of water.

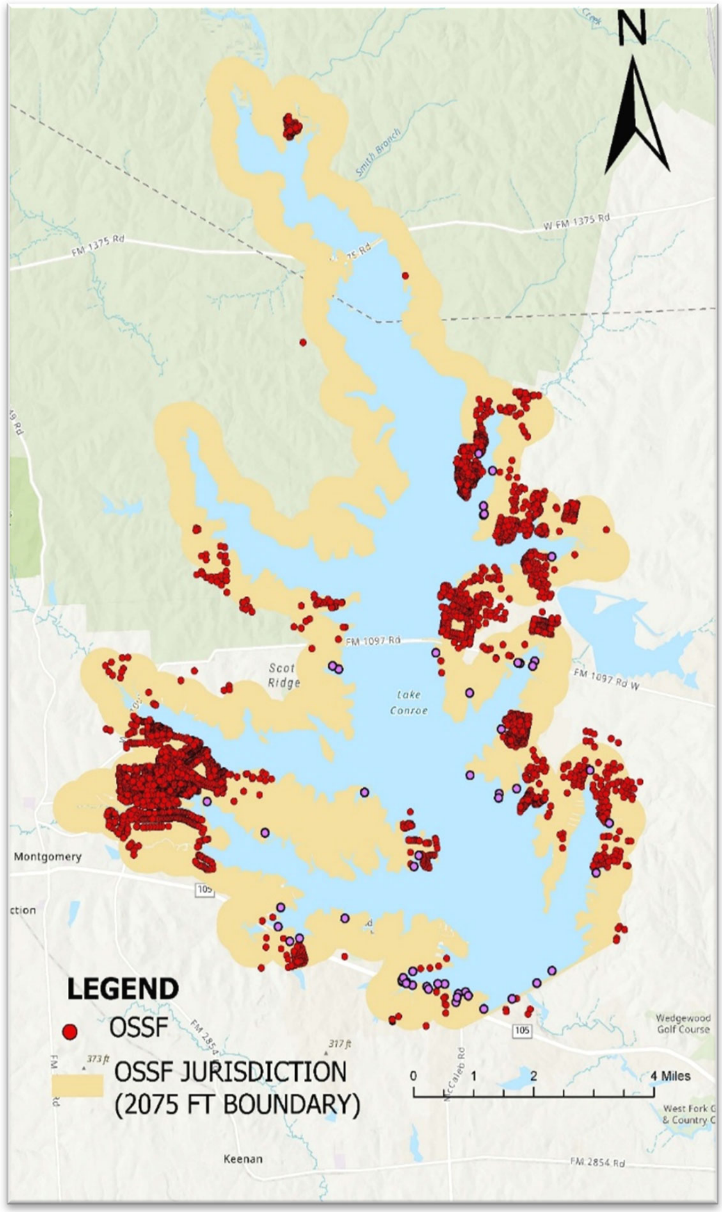
Shoreline Development and Infrastructure

The Lake Conroe shoreline includes approximately 4,500 permitted commercial and residential dock structures and approximately 2,500 permitted on-site sewage facilities (OSSFs) located within 2,075 feet of the reservoir shoreline.

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 FY2026 or are planned for FY2027.

1. **Maintenance**

   There is no responsibility more critical to the Lake Conroe Division than the maintenance of the dam and its associated infrastructure. Major components of the dam system include the earthen embankment, dam crest roadway, primary spillway, service outlet, subsurface drainage systems, and numerous other structural and mechanical features. Maintaining these assets in a safe and reliable condition is essential to preserving SJRA's portfolio of raw water rights within the San Jacinto River Basin.

   Division staff follows established asset management and maintenance practices, including the use of a computerized maintenance management system (CMMS), to plan, perform, and document preventive and corrective maintenance activities for all Division assets. These practices help ensure the continued safety, reliability, and long-term performance of the dam system.

2. **Spillway Gate Operation**

   Safe operation of the Lake Conroe dam spillway system is vital to maximizing SJRA's water rights in Lake Conroe, as well as transporting water via the bed and banks of the San Jacinto River to Lake Houston. Safe operations also help protect against loss of life and severe economic loss that could accompany dam failure. Staff continuously monitor weather conditions, various hydrologic parameters of tributaries to Lake Conroe, and stand ready to initiate operations any time the water surface elevation in Lake Conroe rises above 201' mean sea-level.

3. **Licensing and Permitting**

   The Division administers a variety of licensing and permitting programs for activities in, on, and around Lake Conroe. These programs include permits for residential boat docks, slips, and piers; residential irrigation; on-site sewage facilities (OSSFs); marinas; retail enterprises; construction activities; shoreline bulkheads; and dredging operations.

4. **Water Quality and Aquatic Plant Management**

   Lake Conroe serves as both a primary source of drinking water for the region and a popular recreational destination for the greater Houston area. Residents and visitors enjoy the reservoir for fishing, boating, water sports, swimming, and a variety of other recreational activities. To help protect this valuable resource, Division staff implement the initiatives identified in the Lake Conroe Watershed Protection Plan to preserve and enhance water quality. Staff also administer a comprehensive aquatic vegetation management program that controls non-native and invasive species while promoting the growth of native aquatic plants that contribute to a healthy fishery and balanced ecosystem.

5. **Land Management**

   The SJRA owns the land underlying Lake Conroe up to the 201-foot mean sea level (msl) elevation. In addition, the SJRA holds various easements on lands above the 201-foot msl elevation. The Division is responsible for ensuring that private use of these public lands and easements complies with state law, encroachment policies, and Board-adopted policies.

Capital Improvement and Project Plans

Each year, the Lake Conroe Division conducts risk assessments and evaluates its infrastructure. The Division assesses the likelihood and consequences of asset failure and prioritizes projects based on factors that support reliable and cost-effective service delivery.

Projects included in the Lake Conroe Project Plan for FY2027 are funded through the R&R funds and may span multiple fiscal years. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

The Lake Conroe Division has no outstanding indebtedness as of FY2026 and does not anticipate issuing any debt in FY2027.

Staffing Plans

The Lake Conroe Division's FY2027 staffing plan includes 13 direct full-time equivalent (FTE) positions, with no part-time, temporary, or intern positions. Of these, 1.44 FTEs are allocated to other divisions, resulting in 11.56 FTEs directly assigned to Lake Conroe operations. In addition, the Division is allocated 13.37 FTEs from General and Administrative (G&A) departments. The total net staffing level associated with the Lake Conroe Division for FY2027, including direct and allocated positions, is 24.93 FTEs.

Revenues

As a two-thirds partner with the SJRA in the operation and maintenance of Lake Conroe, the City of Houston reimburses two-thirds of the Division's eligible O&M expenses. For FY2027, the City's reimbursement for normal and customary O&M expenses is budgeted at $5,030,223. In addition, the City will reimburse $1,140,294 for its share of R&R Fund projects.

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. Dock fees are expected to remain the same for FY2027 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 $1,191,870. In accordance with TCEQ rules, any installation of an OSSF within 2,075 feet of the reservoir shoreline requires a permit from the SJRA. Revenue generated by OSSF permits is forecasted to be $20,600 for FY2027. Additionally, Crossing and Encroachment fees in the amount of $25,000 is budgeted for FY2027.

Expected total revenues for the Lake Conroe Division Operating for FY2027 totals $6,267,693.

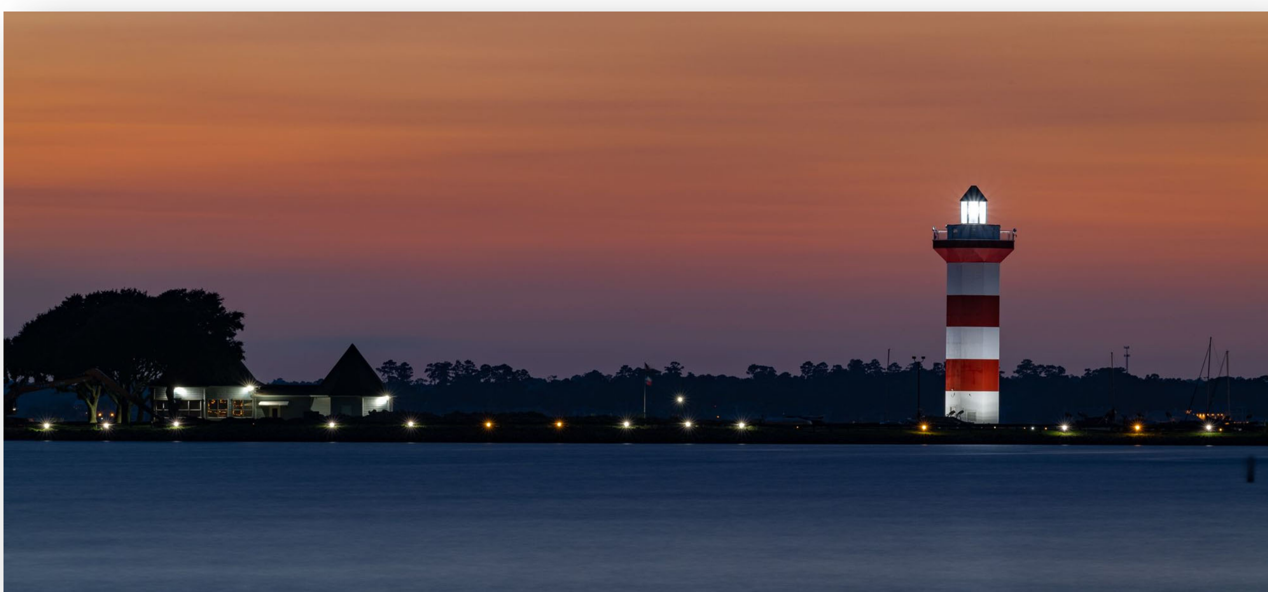
Expenditures

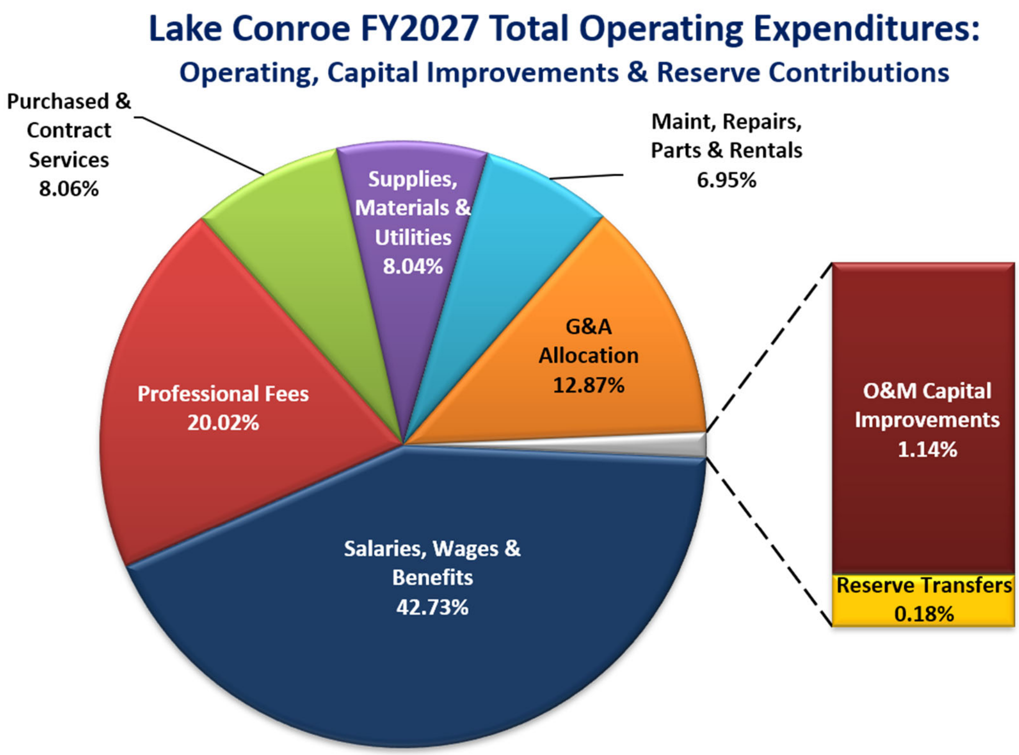
The Lake Conroe Division's FY2027 budget includes regular and customary expenses associated with the ongoing operation and maintenance of the Lake Conroe reservoir.

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

The Lake Conroe Division's total expected FY2027 O&M expenditures, including operating costs, capital improvements (inclusive of the City of Houston's two-thirds reimbursement for capital improvements), and other cash uses, total $8,926,366. Estimated R&R Fund project expenditures for FY2027 total $1,487,340.





Fund Balance and Reserves

SJRA's General Fund balance combines to support the Raw Water Enterprise, which includes Raw Water Supply, the Highlands Division, and the Lake Conroe Division, as well as the G&A Division.

As approved by the Board of Directors on July 24, 2025, the Lake Conroe Division reserve policy includes two reserve funds and a R&R Fund. It should be noted that the Lake Conroe reserve funds are based on SJRA's one-third ownership share of the Lake Conroe Division, excluding the City of Houston's two-thirds interest.

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. For FY2026, the Operating Reserve target was set at an amount equal to six months of operating expenditures. The FY2026 Operating Reserve balance is $1,345,013. For FY2027, the Operating Reserve is projected to exceed the targeted balance, accordingly, $16,513 is budgeted to be released for use as a cash source.

2. **Emergency Reserve**

   The Lake Conroe Division Emergency Reserve was established to provide a full or partial funding source for unplanned or emergency repair or replacement of SJRA capital assets, excluding those associated with the Woodlands and GRP Divisions. The General Fund

Emergency Reserve has a total target balance of $11 million, comprised of $5 million for Lake Conroe, $5 million for the Highlands Division, and $1 million for the G&A Division. These targets are intended to be achieved through contributions over a five-year period. No contribution to the Emergency Reserve is budgeted for FY2027.

3. **Repair & Replacement (R&R Fund)**

   The Lake Conroe Division R&R Fund was established to fund large ongoing and planned projects and to help mitigate significant rate fluctuations. The R&R Fund is funded annually through a predetermined transfer of available O&M funds after the requirements of the Operating & Rate Stabilization Reserve and Emergency Reserve have been met. No contribution to the R&R Fund is budgeted for FY2027.

For FY2027, the net balance between O&M revenues and expenditures for the Lake Conroe Division, including scheduled contributions to the two reserves and the R&R Fund, is ($2,658,673). This amount will be funded through Raw Water Supply revenues provided by the Raw Water Enterprise.

San Jacinto River Authority - Lake Conroe Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Wastewater Treatment Fees	$ -	$ -	$ 8,073	$ -	$ -	$ -
Permits, Licenses, & Fees - Residential	731,977	780,532	732,433	374,764	723,621	723,621
Permits, Licenses & Fees - Commercial	459,474	487,182	469,018	211,832	468,249	468,249
Crossing & Encroachment Fees	-	-	8,372	12,480	50,000	25,000
Septic Tank Licenses	13,660	9,540	16,240	8,400	20,600	20,600
City of Houston Share of Lake Conroe Operations	3,047,786	3,462,969	3,280,660	1,790,576	5,067,313	5,030,223
Other Operating Revenue	-	-	70	-	-	-
Capital Contributions	-	-	38,600	-	-	-
TOTAL OPERATING REVENUES	**$ 4,252,897**	**$ 4,740,224**	**$ 4,553,467**	**$ 2,398,052**	**$ 6,329,783**	**$ 6,267,693**
OTHER REVENUES						
Interest Income	$ 1,655	$ 921	$ 4,670	$ 4,363	$ -	$ -
Miscellaneous Revenue	78,875	40,283	3,005	-	-	-
FEMA Grant Revenue	-	-	10,142	-	-	-
Proceeds From Sale Of Assets	-	-	2,656	-	-	-
Other Gains & Losses	6,655	8	1,300	-	-	-
Fines	7,288	8,149	15,604	3,089	-	-
TOTAL OTHER REVENUES	**$ 94,474**	**$ 49,362**	**$ 37,377**	**$ 7,451**	**$ -**	**$ -**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 2,236,883	$ 2,212,946	$ 2,485,572	$ 1,460,856	$ 2,497,100	$ 2,610,321
Compensated Absences	7,430	101,381	(10,609)	-	-	-
Group Insurance	508,009	496,215	494,662	294,953	490,234	628,355
Group Insurance - Retirees	(65,181)	(161,299)	(36,972)	-	50,000	50,000
Group Insurance - Retiree OPEB	24,581	22,522	20,776	11,447	23,223	23,814
Group Retirement Expense	242,411	312,711	263,938	150,092	287,284	297,997
Workers Compensation Insurance	21,458	22,420	31,061	8,820	22,100	15,283
Social Security Taxes	152,443	158,158	177,197	100,889	191,028	193,900
Employee Benefits Services	12,954	11,402	10,112	4,626	8,966	8,857
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 3,140,989**	**$ 3,176,456**	**$ 3,435,737**	**$ 2,031,683**	**$ 3,569,935**	**$ 3,828,527**
PROFESSIONAL FEES						
Legal Fees	$ 708,467	$ 729,198	$ 669,225	$ 266,183	$ 1,565,000	$ 1,625,000
Legal Fees-Enforcement	26,462	220	-	-	30,000	30,000
Annual Financial Audit	14,188	13,500	18,109	11,895	21,600	32,314
Management Audit	-	-	-	8,698	8,700	-
Engineering	13,624	30,145	57,799	7,100	305,000	93,000
Inspections	1,920	3,350	-	-	6,700	5,500
Staffing Services	4,326	298	-	-	-	-
Safety Inspections & Testing	2,549	6,483	-	717	3,500	1,500
Public Relations Consultant	-	10,000	-	-	-	-
Graphic Design	2,500	3,450	3,450	1,610	6,000	6,000
TOTAL PROFESSIONAL FEES	**$ 774,036**	**$ 796,644**	**$ 748,583**	**$ 296,202**	**$ 1,946,500**	**$ 1,793,314**
PURCHASED & CONTRACTED SERVICES						
Waste Disposal Services	$ 8,188	$ 8,903	$ 8,771	$ 3,422	$ 7,500	$ 7,500
State Fees	370	280	478	450	750	800
Patrolling & Security Services	305,321	184,595	155,897	95,109	450,000	450,000
Employee Testing- New	228	-	391	31	1,068	600
Janitorial Services	13,500	12,449	14,625	-	14,200	20,000
Stream Gauging & Water Quality-USGS	134,825	155,592	108,712	-	143,450	185,400
Water Conservation & Public Education	11,075	28,530	17,779	500	55,694	55,694
Website Hosting & Maintenance	-	437	-	996	2,377	2,349
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 473,506**	**$ 390,786**	**$ 306,654**	**$ 100,508**	**$ 675,039**	**$ 722,343**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 3,856	$ 2,651	$ 2,010	$ 1,082	$ 2,300	$ 2,300
Other Office Expense	1,714	1,924	46	339	-	-
Travel	11,361	12,621	16,996	5,677	29,095	35,975
Office Furnishings	-	-	-	1,738	-	-
Automobile & Truck Expense	23,028	15,247	26,386	19,538	35,000	35,000
Storm Preparedness & Response	-	1,653	317	-	4,000	4,000
Postage	14,900	12,231	11,265	9,703	20,000	20,000
Property Insurance	12,673	16,067	15,967	6,717	18,422	17,564
Auto Insurance	12,465	12,463	13,908	9,758	14,406	15,299
Liability Insurance	9,349	9,411	8,431	5,841	11,349	9,274

San Jacinto River Authority - Lake Conroe Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Small Tools Purchases	-	1,121	-	-	-	-
Training	10,972	12,473	10,889	2,414	13,400	15,855
Training-Employee HR	1,059	206	457	-	3,804	3,758
Safety Training	-	-	-	15	1,471	1,000
Managers Expense	5,659	3,443	2,095	-	5,000	5,000
Employee Relations	-	-	211	3,996	15,189	10,065
Fuel	35,395	41,877	33,639	19,399	55,000	55,000
Uniform Services	4,745	3,662	4,496	3,329	5,000	5,000
Lab Supplies	1,184	2,262	902	2,133	15,000	13,880
Supplies	2,286	4,028	3,773	7,512	12,650	8,270
Memberships & Professional Dues	1,181	616	1,614	656	2,700	2,447
Signage	458	1,244	185	-	2,100	2,100
Janitorial Supplies	1,332	367	45	858	2,100	2,100
Copier, Scanner & Fax	5,200	4,692	4,595	2,805	5,000	5,000
Utilities-Electric	21,766	24,660	29,299	8,872	25,000	30,000
Utilities-Natural Gas	1,100	1,726	1,314	759	2,000	3,000
Utilities-Water	-	7,648	2,693	-	-	-
Personal Protective Equipment	3,859	2,762	2,737	1,639	5,150	6,190
Safety Equipment & Meetings	4,608	1,491	2,226	748	5,500	5,000
Health & Wellness Program	-	707	39	68	1,087	1,074
Recruiting Expenses	1,029	824	2,233	239	8,151	4,697
Computer Hardware	4,683	60,821	31,714	9,815	44,000	48,359
Physical Security	15,326	-	7,924	3,274	44,777	44,719
Software & Support	132,128	140,325	123,908	120,890	262,511	254,482
Software Maintenance	1,211	1,858	4,094	9,355	4,044	3,840
Network Communications	6,726	7,416	13,275	5,060	11,624	11,205
Newspaper Ads	100	2,388	3,444	-	3,900	3,900
Wireless Devices & Services	15,011	14,332	14,843	7,262	26,100	26,100
Phone System-Install, Maintenance, & Changes	5,159	126	220	-	2,250	2,250
Emergency Operations Communications	-	-	-	-	4,800	4,800
Landline Telephone Services	8,893	10,334	11,538	4,505	1,818	1,720
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 380,416**	**$ 437,674**	**$ 409,728**	**$ 275,997**	**$ 725,698**	**$ 720,222**
RENTALS						
Equipment Rentals	$ 11,648	$ 16,824	$ 10,107	$ 4,299	$ 30,000	$ 30,000
Office Rent	25,206	25,206	28,566	16,314	25,666	23,915
Office Equipment Rentals	-	-	-	196	-	-
Rent-U.S. Forest Lands	18,089	16,697	16,697	9,844	20,000	20,000
TOTAL RENTALS	**$ 54,943**	**$ 58,727**	**$ 55,370**	**$ 30,652**	**$ 75,666**	**$ 73,915**
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ 25,480	$ 15,416	$ 25,039	$ 26,262	$ 33,800	$ 87,800
Office, Furniture, & Fixtures	410	405	-	-	3,500	1,500
Buildings	-	1,011	-	-	-	-
Buildings & Grounds	33,832	100,777	47,700	46,296	85,000	85,000
Generators	2,105	11,938	16,733	1,262	8,300	8,500
Machinery, Tools, & Implements	36,356	34,029	29,880	13,518	40,000	40,000
Boat Maintenance & Repairs	6,473	1,728	9,105	5,269	16,000	16,000
Laboratory Equipment	-	515	1,657	-	-	-
Networking and Communications - SCADA	-	494	-	-	900	1,100
Dam Maintenance	41,990	39,109	204,296	11,354	390,000	100,000
Clearing	-	7,800	-	-	-	-
Hazardous Debris Management	13,136	5,603	19,255	600	30,000	30,000
Invasive Species Management	79,782	87,387	98,852	21,200	105,000	125,000
Streets & Roads	29,762	-	-	3,084	20,000	20,000
Ayer Island Maint & Repair	-	460	15,220	-	20,000	20,000
Lake Conroe Park Maint & Repair	-	23	-	-	-	-
Fencing	-	48	681	-	-	-
Security Repairs	15,607	7,302	711	2,571	12,000	14,000
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 284,933**	**$ 314,046**	**$ 469,129**	**$ 131,417**	**$ 764,500**	**$ 548,900**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 773,457	$ 761,258	$ 813,761	$ 429,969	$ 1,163,601	$ 1,153,083
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 773,457**	**$ 761,258**	**$ 813,761**	**$ 429,969**	**$ 1,163,601**	**$ 1,153,083**
TOTAL OPERATING EXPENSES	**$ 5,882,281**	**$ 5,935,591**	**$ 6,238,961**	**$ 3,296,429**	**$ 8,920,939**	**$ 8,840,304**
TOTAL EXPENSES	**$ 5,882,281**	**$ 5,935,591**	**$ 6,238,961**	**$ 3,296,429**	**$ 8,920,939**	**$ 8,840,304**

San Jacinto River Authority - Lake Conroe Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
NET REVENUES OVER EXPENSES	**$ (1,534,910)**	**$ (1,146,005)**	**$ (1,648,118)**	**$ (890,926)**	**$ (2,591,156)**	**$ (2,572,611)**
CAPITAL IMPROVEMENTS[(1)]						
Other Machinery & Equipment					$ 85,000	$ 163,000
Transportation Equipment					-	48,000
Computer Equipment					106,095	95,043
City of Houston's 2/3 Portion of Fixed Assets					(127,397)	(204,029)
TOTAL CAPITAL IMPROVEMENTS					**$ 63,698**	**$ 102,014**
OTHER SOURCES (USES)[(1)]						
Operating Reserve					$ (56,521)	$ 16,513
Emergency Reserve Transfers					(135,000)	-
Repair and Replacement Transfers					(1,368,109)	(560)
TOTAL OTHER SOURCES (USES)					**$ (1,559,630)**	**$ 15,953**
NET CASH BASIS SOURCES (USES)	**$ (1,534,910)**	**$ (1,146,005)**	**$ (1,648,118)**	**$ (890,926)**	**$ (4,214,484)**	**$ (2,658,673)**

[(1)]Actuals intentionally left blank.

San Jacinto River Authority - Lake Conroe Repair and Replacement
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
City of Houston Share of Lake Conroe Operations	$ 137,215	$ 63,942	$ 611,080	$ 155,148	$ 123,199	$ 1,140,294
TOTAL OPERATING REVENUES	**$ 137,215**	**$ 63,942**	**$ 611,080**	**$ 155,148**	**$ 123,199**	**$ 1,140,294**
OTHER REVENUES						
Interest Income	$ 115,256	$ 260,781	$ 200,439	$ 82,852	$ 36,000	$ 36,000
TOTAL OTHER REVENUES	**$ 115,256**	**$ 260,781**	**$ 200,439**	**$ 82,852**	**$ 36,000**	**$ 36,000**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 558,652	$ 1,487,340
TOTAL PROJECTS					**$ 558,652**	**$ 1,487,340**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 53,513	$ 53,547	$ 499,061	$ 109,670	$ 83,798	$ 223,101
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 53,513**	**$ 53,547**	**$ 499,061**	**$ 109,670**	**$ 83,798**	**$ 223,101**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 1,014,107	$ 2,465,442
Repair and Replacement Transfers					1,365,909	-
Operating Fund Transfers					33,667	-
Transfers					-	-
TOTAL OTHER SOURCES (USES)					**$ 2,413,682**	**$ 2,465,442**
NET CASH BASIS SOURCES (USES)	**$ 198,958**	**$ 271,175**	**$ 312,459**	**$ 128,331**	**$ 1,930,431**	**$ 1,931,295**

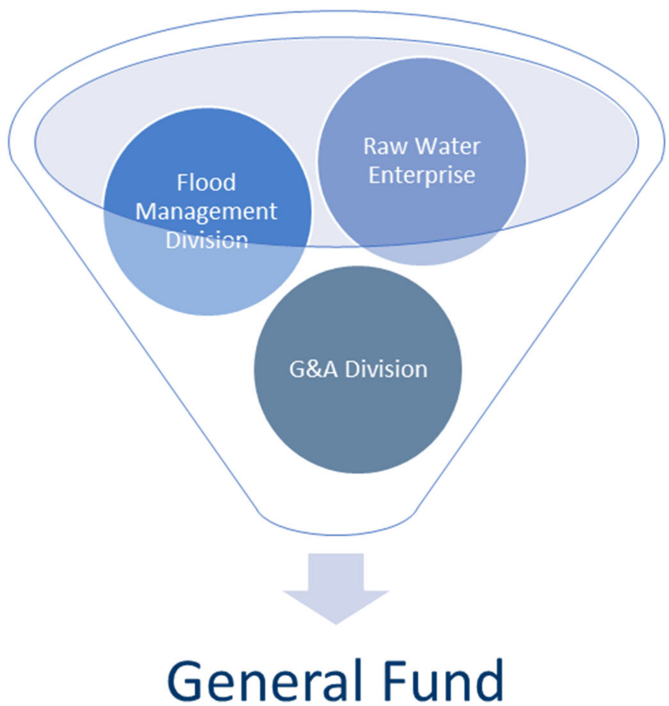
PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
LCPAV[2] - Lake Conroe Campus Pavement & Access Improvements	In Progress	$ 687,470	$ 40,920	$ 728,390	$ 565,340
LCNBD - Lake Conroe Division Boat Dock	Planned	-	70,000	70,000	70,000
LCSOC - Service Outlet Crane Hoist Rehabilitation	Planned	-	98,000	98,000	98,000
LCSON - Service Outlet North Gate Rehabilitation	Planned	-	100,000	100,000	100,000
LCWRD - West Dam Crest Road Repairs	Planned	-	653,000	653,000	349,000
LCFOR - Lake Conroe Reservoir Forecast Tool Updates	Planned	-	320,000	320,000	160,000
LCREL - Dam Relief Wells Rehabilitation	Planned	-	1,432,000	1,432,000	145,000
LCMFI - Lake Conroe Maintenance Facility Improvements	In Progress	5,692,547	-	5,692,547	-
RLCDA - Lake Conroe Diversion Rate Amendment	In Progress	187,000	-	187,000	-
TOTAL PROJECT LIST		**$ 6,567,017**	**$ 2,713,920**	**$ 9,280,937**	**$ 1,487,340**

[1]Actuals intentionally left blank.

[2]Multi-funded project- amounts shown are only for the funding souce of the report.

Raw Water Enterprise Summary

Collectively, the Raw Water Enterprise (comprised of the Raw Water Supply, Highlands Division, and Lake Conroe Division), the Flood Management Division, and any remaining General and Administrative (G&A) Division expenses not otherwise allocated to other divisions comprise the San Jacinto River Authority General Fund.



	Proposed FY2027 Budget
Raw Water Supply	$ 22,762,181
Highlands Division	(18,884,672)
Flood Management Division	(1,146,125)
General & Administration Division	(72,712)
Lake Conroe	(2,658,673)
General Fund Net Cash Sources (Uses)	**$ -**

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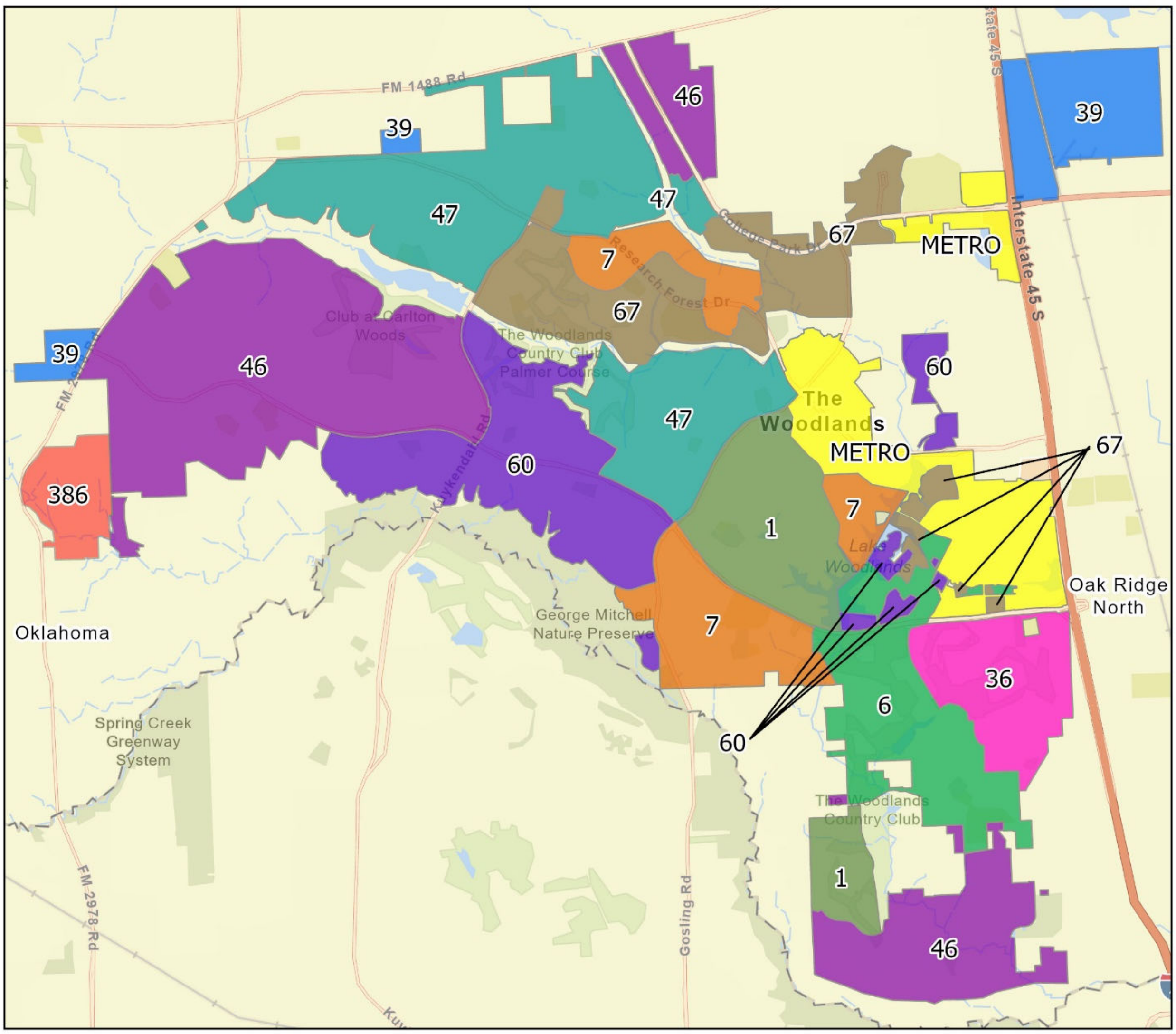
Woodlands Division

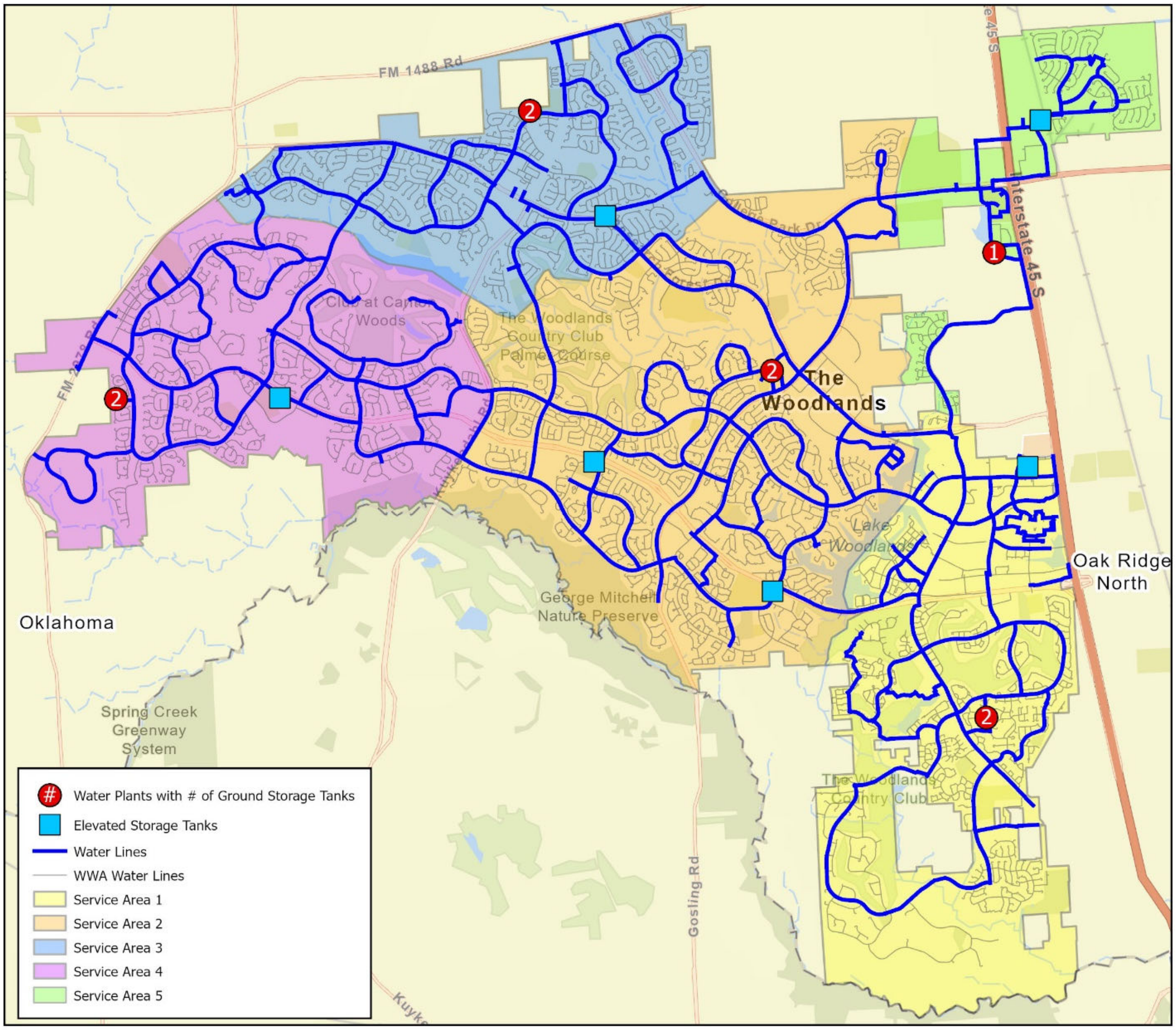
The Woodlands Division was established in 1975 to operate and maintain wholesale water supply and wastewater treatment systems serving The Woodlands area, which is comprised of 11 Municipal Utility Districts (MUDs) in southern Montgomery County. The Division works in coordination with the 11 MUDs, 10 of which are operated by The Woodlands Water Agency (WWA), and one operated by a third party serving the Montgomery County portion of MUD 386, to provide services to a population of more than 125,000 residents.

Map of Woodlands MUDs



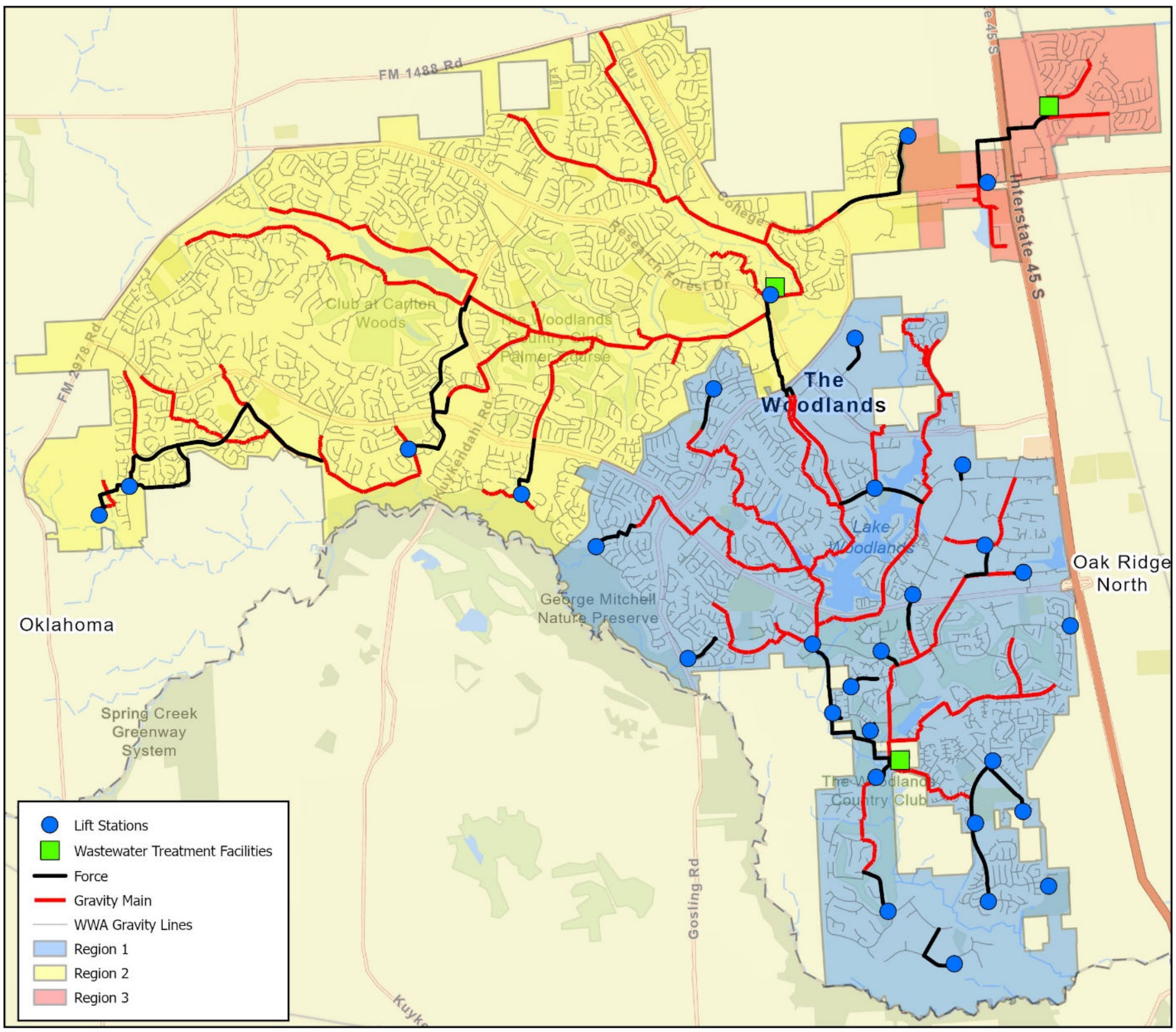
Wholesale Water System

The Woodlands wholesale water system consists of 37 water wells drilled into the Evangeline or Jasper aquifers, five water plants, six elevated storage tanks, nine ground storage tanks, and more than 120 miles of water transmission lines with diameters of twelve inches or greater.



Wholesale Wastewater System

The Woodlands wholesale wastewater system consists of 29 lift stations, three regional wastewater treatment plants, more than 50 miles of wastewater gravity lines with diameters of 15 inches or greater, and over 20 miles of force mains. In addition to the wholesale water and wastewater services, the Woodlands Division is contracted by the 11 MUDs to ensure compliance with applicable local, state and federal regulations governing grease traps and the industrial pre-treatment program. The division oversees approximately 450 commercial users and one industrial user permitted under the Woodlands Division.



Funding Sources

The Woodlands Division is a separate enterprise fund of SJRA. Based on 11 contracts with the MUDs, the Woodlands Division is comprised of five distinct budgets:

1. **Operations and Maintenance (O&M)**

   This fund 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.

2. **Repair & Replacement (R&R Fund)**

   The R&R Fund is 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.

3. **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.

4. **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.

5. **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 plans to undertake several major initiatives to support and maintain ongoing operations within The Woodlands Division service area.

1. **Woodlands Wastewater Strategic Plan:**

   Over the next 40 years, it is anticipated that the three wastewater treatment facilities (WWTFs) operated by SJRA will require significant repair or replacement due to aging infrastructure and end-of-service life. In collaboration with the Woodlands MUDs, SJRA proposed a strategic plan for wastewater management aimed at evaluating the economic feasibility and efficiency of either replacing the current WWTFs or constructing a new facility to replace WWTF No. 1. Through stakeholder feedback, the division proposed and was authorized to direct efforts towards repairing the current facility. In FY2027, a 20-year repair and replacement project plan for WWTF No. 1 will be developed and presented to the stakeholders for concurrence to move forward with renewal. These renewal efforts are expected to be funded primarily through bond proceeds.

2. **Operational and Security Vulnerabilities**

   The Woodlands Division is committed to enhancing operational efficiency and effectiveness while minimizing operational and security risks. Moving into FY2027 and beyond, the Division is focused on refining current practices through the implementation of advanced technologies. With an emphasis on improving efficiency, reducing costs, and mitigating vulnerabilities, the Division is working in coordination with SJRA departments to optimize the use of advanced technologies, including the removal of devices that are less effective or that may present or increase security risks.

3. **Asset Management**

   The Woodlands Division is focused on maintaining and managing its assets through the asset management program. The Division has implemented the SJRA Enterprise Asset Management and Computerized Maintenance Management System (EAM/CMMS), which enables tracking of assets throughout their lifecycle, documentation of planned and corrective maintenance, and support in determining appropriate asset replacement timing.

Capital Improvement and Project Plans

Each year, the Woodlands Division and the Technical Services Department conduct risk and condition assessments of infrastructure in accordance with the Asset Management Program. These assessments evaluate the likelihood and consequence of asset failure and are used to prioritize projects based on factors that support reliable and cost-effective service delivery. Projects included in the Woodlands Project Plans may be funded through bond proceeds and/or Repair & Replacement funds and may extend over multiple fiscal years. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

In addition, due to the number of projects, level of financing required, and the need for public engagement, multiple discussions have been held with the MUDs regarding the overall aging infrastructure within The Woodlands. These discussions have focused on the long-term financing of major projects, primarily the Woodlands Water Line Replacement project and options for the repair or replacement of Wastewater Treatment Facility No. 1 (WWTF No. 1). As a result, the receipt of long-term financing to initiate certain projects included in the long-term financing plan have been delayed. It is anticipated that the MUDs will make decisions regarding long-term financing and the implementation of associated projects during FY2026 and continuing into FY2027.

Total Indebtedness and Annual Debt Service

As of August 31, 2025, the Woodlands Division had total indebtedness of $51,585,000, consisting of the following bond issuances:

- Series 2014 Special Project Rev. Refunding Bonds (Outstanding: $4,975,000: Matures 10/1/30)
- Series 2014 Special Project Rev. Refunding Bonds (Outstanding: $13,656,000: Matures 10/1/33)
- Series 2017 Special Project Rev. Bonds (Outstanding: $33,045,000: Matures 10/01/42)

Total annual debt service (principal and interest) for FY2027 for the existing bond issuances listed above is $5,384,259.

Bond payments are made each year in April (interest only) and October (principal and interest), with principal and interest accruals 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 FY2027 includes 37 direct FTE positions, with no part-time, temporary, or intern positions. Of these, 2.65 FTEs are allocated to the Groundwater Reduction Plan (GRP) Division, resulting in 34.35 FTEs directly assigned to the Woodlands Division operations. In addition, the division is allocated 30.88 FTEs from G&A departments, other divisions, and the Utility Enterprise. The total net staffing level associated with the Woodlands Division for FY2027, including direct and allocated positions, is 65.23 FTEs.

Revenues

One of the first steps in developing the Woodlands Division budget is forecasting water demand and estimating wastewater flows for the upcoming fiscal year. For FY2026, water demand projections are based on a four-year average of historical consumption. Given the range of weather conditions experienced over the past 48 months, the four-year average provides a representative estimate of expected demand while accounting for annual weather-related variability. Wastewater demand for the MUDs served by The Woodlands Water Agency is based on a three-month winter average of water consumption during December, January, and February. This methodology establishes the maximum residential wastewater billing for the upcoming year based on periods when outdoor irrigation demand was minimal, resulting in a more accurate estimate of in-home wastewater generation. MUD 386 does not use the winter averaging methodology, instead its wastewater billing is based on 51 percent of monthly water demand.

For FY2027, The Woodlands is forecasting a 2.0% decrease in water production and a 0.7% decrease in water sales compared to the prior fiscal year. Wastewater treatment volume, however, is projected to increase by 3.6%.

The FY2027 wholesale water rate for the MUDs is budgeted at $2.73 per 1,000 gallons, generating projected wholesale water revenue of $14,804,407. The wholesale wastewater rate is budgeted at $5.65 per 1,000 gallons, resulting in projected wholesale wastewater revenue of $16,385,000.

The WWA directed the Woodlands Division to budget a blended Groundwater Reduction Plan (GRP) rate based on the projected FY2027 groundwater-to-surface water usage ratio within The Woodlands system. The FY2027 blended GRP rate is budgeted at $2.83 per 1,000 gallons, reflecting an increase from FY2026 due to the revised water supply mix of 55% surface water and 45% groundwater, compared to the previous 50%/50% blend.

The blended GRP rate will be passed directly to the Woodlands MUDs as GRP Pumping Fees and is not included in the Woodlands wholesale water rate. FY2027 GRP Pumping Fee revenue is projected at $15,346,693 and will be fully offset by corresponding GRP Pumping Fee and Surface Water Fee expenses.

In addition, The Woodlands anticipates generating $155,758 in revenue from direct effluent reuse water sales, commercial environmental license fees, and industrial sampling fees.

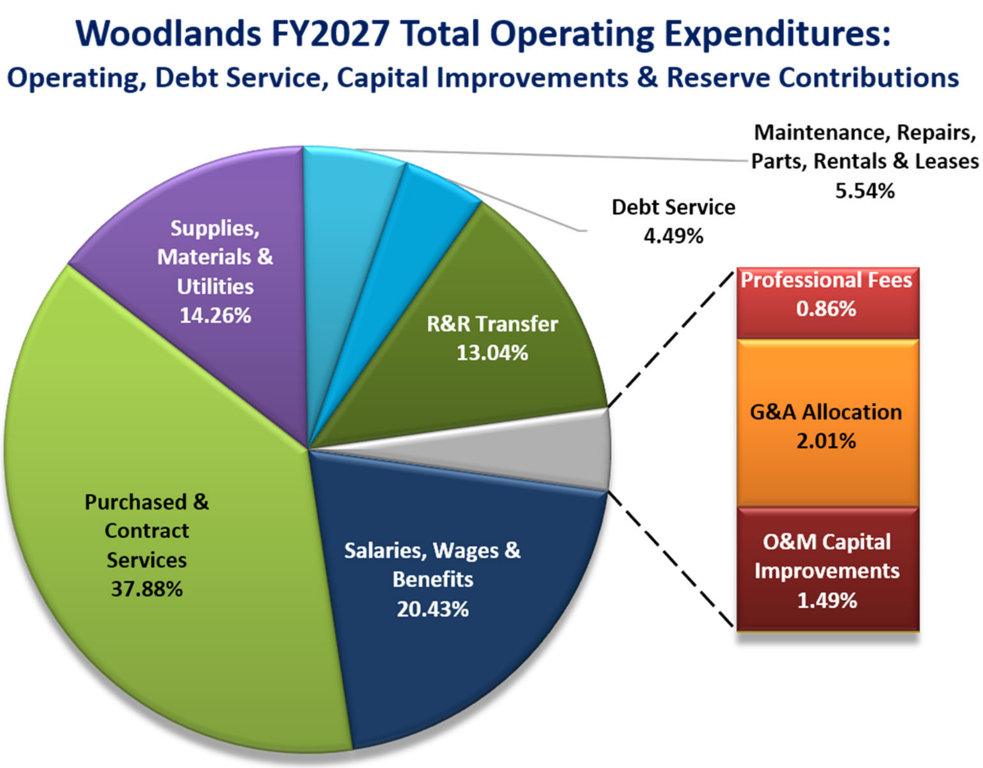
Total anticipated O&M Operating Revenues and Other Revenues for the Woodlands Division are budgeted at $47,045,315 for FY2027.

Expenditures

The Woodlands Division FY2027 O&M Budget includes the routine and customary expenses necessary to support the ongoing operation and maintenance of the Division's wholesale water and wastewater systems. These 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

Total FY2027 O&M expenditures for the Woodlands Division are budgeted at $47,045,315. This amount includes operating expenses, debt service, capital improvements, and contributions to the R&R Fund.



The Woodlands Division's FY2027 R&R Fund includes budgeted project expenditures totaling $12,721,374. Budgeted operating and debt service expenditures are $984,450 for Wastewater Bonds and $2,297,117 for Water Bonds. No expenditures are budgeted for Future Facilities in FY2027.

Fund Balance and Reserves

As approved by the Board of Directors and by the Woodlands MUDs, the Woodlands Division utilizes two reserves and a R&R Fund:

1. **Operating Reserve**

   The Woodlands Division Operating Reserve was established to provide cash flow management and promote rate and revenue stability. The Division's Operating Reserve target is approximately three months of operating expenditures. As of FY2026, the Operating Reserve has achieved the three-month target, totaling $5,651,437. The FY2027 Operating Reserve is projected to increase slightly to $5,655,546, maintaining the equivalent of approximately three months of operating expenditures.

2. **Repair & Replacement (R&R Fund)**

   The Woodlands Division R&R Fund was established to fund major ongoing and planned capital improvement projects while minimizing significant rate fluctuations. The fund is supported through annual transfers of available O&M funds after the Division's Operating Reserve requirements have been satisfied.

   Based on the FY2027 Woodlands Project Plan, the annual transfer to the R&R Fund is budgeted at $6,096,543, an increase of $96,543 from FY2026 to help address the Division's aging infrastructure. The annual transfer is planned to increase by an additional $250,000 each year until it reaches $7,500,000.

   The FY2027 budget also includes a cash carryforward of $32,232,267 from FY2026. Project expenditures from the R&R Fund are budgeted at $12,721,374 for FY2027. After accounting for the beginning cash balance, the FY2027 transfer, and planned project expenditures, the R&R Fund is projected to end FY2027 with a balance of $31,125,313, which will be carried forward to FY2028 to support future capital improvement projects.

3. **Emergency Reserve**

   The Woodlands Division Emergency Reserve (contractually referred to as the Contingency Reserve) was established to provide funding for the full or partial cost of unplanned or emergency repair or replacement of Woodlands Division capital assets. The target balance for the Emergency Reserve is $2,000,000 and may be adjusted for inflation, subject to approval, based on the Engineering News-Record Construction Cost Index. The Emergency Reserve is fully funded as of FY2026, and no additional contributions are budgeted for FY2027.

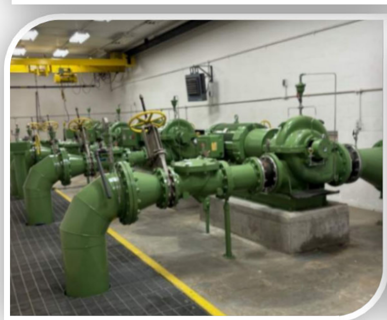
4. Future Facilities Fund

Capacity funds are received by the Woodlands MUDs through the purchase of Single Family Dwelling Unit Equivalents (SFDUEs) required to support projected development within The Woodlands. These funds, as reflected in the Interim and Final Accounting reports, are used to pay for capacity improvements to The Woodlands water and wastewater systems.

The Final Accounting, performed in March 2017, established a defined list of capacity-related projects to be funded. In May 2018, the MUDs entered into supplemental agreements with SJRA to fund these projects and to outline the transition of any remaining funds into the R&R Fund, facilitating the closure of the Future Facilities Fund.

During FY2027, the Woodlands Division is budgeted to transfer all remaining Future Facilities Fund balances, except for $1,836,536 designated for the WWTF No. 2 Aeration Basins 1 & 2 project, which is the sole remaining project identified in the Final Accounting. The FY2027 transfer, including estimated interest earnings from the remainder of FY2026 and FY2027, is budgeted at $5,067,877. The actual transfer amount may be lower depending on realized interest earnings but will not exceed $5,067,877.

For FY2027, the net difference between O&M revenues and expenditures, including annual debt service and scheduled contributions to both reserves and the R&R Fund is budgeted to be $0.



San Jacinto River Authority - Woodlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Water Sales-Woodlands MUD's	$ 15,869,857	$ 14,875,688	$ 14,549,934	$ 8,006,402	$ 14,913,854	$ 14,804,407
Wastewater Treatment Fees	15,893,670	15,636,623	16,430,468	9,428,834	15,820,000	16,385,000
Direct Reuse Water	37,251	31,014	31,640	17,693	30,000	30,000
Permits, Licenses & Fees - Commercial	207,100	206,100	119,197	-	120,462	124,258
GRP Pumping Fees	18,591,499	17,579,023	15,894,850	8,487,789	15,951,814	15,346,693
Sampling	-	-	-	-	1,500	1,500
Repair Recovery Revenue	-	(3,180,019)	-	-	-	-
Other Operating Revenue	-	-	(5,126,309)	-	(6,058,582)	-
TOTAL OPERATING REVENUES	**$ 50,599,377**	**$ 45,148,429**	**$ 41,899,781**	**$ 25,940,718**	**$ 40,779,048**	**$ 46,691,858**
OTHER REVENUES						
Interest Income	$ 333,551	$ 663,001	$ 639,194	$ 313,615	$ 100,000	$ 200,000
Miscellaneous Revenue	49,419	83,903	113,552	45,543	-	-
FEMA Grant Revenue	(1,710)	-	276,725	29,098	-	-
Proceeds From Sale Of Assets	52,500	5,700	-	26,875	-	-
Other Gains & Losses	4,500	6,000	5,000	-	-	-
TOTAL OTHER REVENUES	**$ 438,260**	**$ 758,604**	**$ 1,034,471**	**$ 415,131**	**$ 100,000**	**$ 200,000**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 5,201,662	$ 5,273,062	$ 5,683,582	$ 3,576,822	$ 6,770,336	$ 6,622,235
Compensated Absences	13,735	266,465	16,347	-	-	-
Group Insurance	992,404	1,011,520	1,055,904	713,063	1,221,462	1,512,863
Group Insurance - Retirees	(68,978)	(107,005)	(50,363)	-	100,000	100,000
Group Insurance - Retiree OPEB	12,554	13,153	13,851	8,472	15,482	15,876
Group Retirement Expense	576,937	717,754	596,505	366,955	769,412	752,616
Workers Compensation Insurance	68,237	68,387	87,010	27,970	82,777	55,277
Social Security Taxes	372,009	383,193	422,859	251,815	517,931	497,267
Employee Benefits Services	32,242	29,065	26,850	12,513	25,145	23,767
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 7,200,802**	**$ 7,655,594**	**$ 7,852,544**	**$ 4,957,610**	**$ 9,502,546**	**$ 9,579,900**
PROFESSIONAL FEES						
Legal Fees	$ 61,716	$ 33,909	$ 12,261	$ 15,667	$ 80,000	$ 30,000
Lobbyist	120,098	104,000	96,000	36,000	96,000	-
Annual Financial Audit	38,610	24,749	45,522	34,566	51,750	69,607
Arbitrage Rebate Audit	3,250	-	-	5,200	-	3,250
Management Audit	-	-	-	26,393	26,400	-
Paying Agent Fees	2,250	-	1,575	1,575	825	825
Engineering	316,995	368,233	144,598	113,905	375,000	280,000
Inspections	7,542	3,932	4,858	2,370	2,500	2,500
Staffing Services	79,803	40,673	-	-	-	-
Safety Inspections & Testing	15,907	6,420	6,631	1,050	6,000	7,000
Public Relations Consultant	-	127,796	119,005	-	-	-
Graphic Design	2,500	3,738	3,450	2,717	10,000	10,000
TOTAL PROFESSIONAL FEES	**$ 648,671**	**$ 713,449**	**$ 433,899**	**$ 239,442**	**$ 648,475**	**$ 403,182**
PURCHASED & CONTRACTED SERVICES						
Waste Disposal Services	$ 53,624	$ 59,658	$ 76,967	$ 49,470	$ 40,665	$ 38,977
Sampling-Reimbursible	-	-	-	-	1,500	1,500
Sludge Disposal	469,537	478,952	479,171	239,818	487,507	496,698
Meter Calibration Services	6,987	2,240	8,277	6,287	8,495	19,000
Commercial Laboratory Fees	199,567	160,020	191,726	67,338	187,865	197,705
State Fees	90,645	90,590	90,590	90,590	95,300	95,200
Groundwater District Fees	520,415	319,909	255,870	247,988	241,850	319,910
Employee Testing- New	680	-	3,016	31	2,190	3,400
GRP Pumpage Fees	9,510,024	8,321,825	7,545,925	4,355,005	7,454,674	6,495,504
GRP Surface Water Fees	9,809,114	6,200,352	9,050,154	4,790,727	9,133,342	9,957,200
Janitorial Services	23,895	23,820	25,080	14,345	28,000	40,000
Stream Gauging & Water Quality-USGS	71,433	5,967	-	-	-	-
Public Relations Expense	64	14	-	-	-	-
Water Conservation & Public Education	16,029	42,161	15,465	10,037	90,220	90,220
Website Hosting & Maintenance	-	1,168	-	2,793	6,667	6,302
Posting Notice Expenses	-	-	137	-	-	-
Document Retention/Destruction	1,940	970	721	702	3,000	1,500
TOTAL PURCHASED & CONTRACTED SERVICE	**$ 20,773,954**	**$ 15,707,645**	**$ 17,743,100**	**$ 9,875,132**	**$ 17,781,275**	**$ 17,763,115**

San Jacinto River Authority - Woodlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 15,383	$ 18,374	$ 12,335	$ 4,604	$ 17,000	$ 17,500
Travel	6,221	4,058	5,523	649	11,800	20,200
Office Furnishings	7,530	151	1,965	235	3,000	5,000
Automobile & Truck Expense	66,331	58,580	88,360	50,894	73,000	80,000
Storm Preparedness & Response	-	3,601	2,357	694	5,000	5,000
Postage	4,876	1,467	1,844	907	5,000	5,000
Property Insurance	401,596	456,316	510,619	310,379	587,990	561,681
Auto Insurance	42,541	41,307	39,587	30,006	44,928	43,545
Liability Insurance	28,987	26,870	23,632	16,654	32,394	25,996
Small Tools Purchases	-	1,170	-	-	-	-
Training	40,195	25,491	16,204	8,797	38,850	45,350
Training-Employee HR	2,740	833	485	-	10,668	10,083
Safety Training	-	-	-	282	3,676	2,000
Sodium Hypochlorite	-	-	-	816	-	-
Chlorine	584,412	613,481	684,880	369,234	639,490	666,230
Polymer	54,173	41,342	48,720	25,973	54,112	55,000
Sulfur Dioxide	188,820	192,000	235,328	123,205	202,400	226,380
Calcium Hydrochlorite	12,740	12,865	14,527	816	15,780	17,054
Managers Expense	-	173	-	-	-	-
Employee Relations	15,623	6,811	6,171	13,412	38,974	38,008
Alkalinity	178,683	175,819	272,305	157,350	242,550	300,000
Fuel	116,355	130,343	78,434	65,420	194,700	210,000
Uniform Services	14,696	15,009	16,068	7,251	17,000	18,000
Lab Supplies	(107)	-	-	-	-	-
Supplies	148,084	121,430	145,486	64,615	122,500	141,000
Other Operating Expenses	861	-	-	-	-	-
Memberships & Professional Dues	17,178	18,143	17,638	16,569	20,000	6,000
Copier, Scanner & Fax	-	-	6,413	3,772	7,000	9,000
Utilities-Electric	3,055,160	2,443,568	2,884,729	1,446,956	2,854,955	2,870,791
Utilities-Natural Gas	15,633	19,438	19,841	12,588	14,300	14,300
Bank Service Charges	-	50	50	-	-	-
Bank Account Analysis Fee	-	-	-	-	-	6,667
Personal Protective Equipment	11,890	10,093	11,942	8,200	14,200	14,830
Safety Equipment & Meetings	16,738	5,398	12,140	2,099	10,000	7,000
Health & Wellness Program	-	1,888	724	215	3,048	2,881
Recruiting Expenses	5,958	2,180	6,135	327	22,859	12,604
Computer Hardware	43,938	134,113	76,887	28,864	137,285	154,931
Physical Security	5,417	1,761	10,063	11,565	68,398	62,663
Software & Support	245,618	268,641	383,011	98,091	785,143	741,877
Software Maintenance	53,925	60,538	50,123	218,029	103,745	95,700
Network Communications	39,128	47,301	62,308	33,085	32,400	32,400
Newspaper Ads	5,644	5,054	-	100	8,000	8,000
Wireless Devices & Services	55,864	49,483	55,877	26,647	63,000	63,000
Phone System-Install, Maintenance, & Changes	7,105	-	-	-	6,375	6,375
Landline Telephone Services	57,073	52,670	67,443	43,523	59,374	83,100
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 5,567,009**	**$ 5,067,808**	**$ 5,870,154**	**$ 3,202,825**	**$ 6,570,895**	**$ 6,685,144**
RENTALS						
Equipment Rentals	$ 9,983	$ 7,221	$ 15,093	$ 10,958	$ 12,000	$ 12,000
TOTAL RENTALS	**$ 9,983**	**$ 7,221**	**$ 15,093**	**$ 10,958**	**$ 12,000**	**$ 12,000**
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ 203,532	$ 375,506	$ 259,291	$ 102,325	$ 269,450	$ 289,570
Air Conditioner	63,894	11,198	17,819	39,441	73,000	82,000
Sidewalks & Driveways	2,970	3,328	-	19	20,000	20,000
Yards & Grounds	261,772	222,489	137,408	83,219	193,000	262,920
Buildings	88,432	55,482	54,000	21,988	75,000	120,000
Buildings & Grounds	-	5	-	-	-	-
Security System Monitoring	276	488	464	604	1,000	1,000
Wells	12,120	21,600	6,647	157	30,000	25,000
Tanks	213,027	157,537	160,349	55,380	189,500	191,000
Electrical	107,280	127,170	170,254	80,975	180,000	180,000
Generators	64,187	61,169	133,476	31,006	90,000	75,000
Pumps & Motors	206,524	151,910	256,677	140,994	344,000	270,000
Aerators	7,285	17,316	146,008	45,932	95,000	180,000
Machinery, Tools, & Implements	16,144	35,654	39,558	23,328	20,000	20,000
Belt Press	20,808	40,525	15,904	254	34,600	32,500

San Jacinto River Authority - Woodlands Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Clarifier	51,197	221	32,137	-	112,500	47,500
Lines & Valves	655,918	1,455,005	1,025,374	299,888	734,000	610,000
Valves	-	-	948	95	-	-
Plants & Facilities	83,810	7,121	64,170	72	100,000	8,800
Cranes	-	4,007	-	-	4,000	6,000
Headworks	5,940	15,826	43,328	-	5,000	6,500
Disinfection	25,552	12,072	26,664	395	35,000	35,000
Low Head Filters	53,947	15,935	(15,465)	-	20,000	20,000
Networking and Communications - SCADA	6,927	4,676	6,175	2,165	1,800	92,400
Inventory Gains and Losses	42,989	(13,209)	116	-	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 2,194,530**	**$ 2,783,031**	**$ 2,581,300**	**$ 928,238**	**$ 2,626,850**	**$ 2,575,190**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 814,678	$ 794,111	$ 784,553	$ 495,557	$ 974,744	$ 944,026
General & Administrative Expense Allocated to Wooc	-	47,040	-	-	-	-
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 814,678**	**$ 841,151**	**$ 784,553**	**$ 495,557**	**$ 974,744**	**$ 944,026**
TOTAL OPERATING EXPENSES	**$ 37,209,628**	**$ 32,775,900**	**$ 35,280,644**	**$ 19,709,761**	**$ 38,116,784**	**$ 37,962,557**
NON-OPERATING EXPENSES						
Interest Expense - Lease	$ 1,555	$ 1,313	$ 1,054	$ 489	$ 779	$ 486
TOTAL NON-OPERATING EXPENSES	**$ 1,555**	**$ 1,313**	**$ 1,054**	**$ 489**	**$ 779**	**$ 486**
TOTAL EXPENSES	**$ 37,211,183**	**$ 32,777,213**	**$ 35,281,698**	**$ 19,710,250**	**$ 38,117,563**	**$ 37,963,043**
NET REVENUES OVER EXPENSES	**$ 13,826,454**	**$ 13,129,820**	**$ 7,652,554**	**$ 6,645,599**	**$ 2,761,485**	**$ 8,928,814**
CAPITAL IMPROVEMENTS(1)						
Construction In Progress(4)					$ 6,430,000	$ 15,262,000
Sewage Treatment Plant & Facilities					-	194,200
Lift Station					-	55,000
Other Machinery & Equipment					115,100	260,000
Transportation Equipment					320,000	-
Security System					-	40,000
Computer Equipment					211,768	146,733
TOTAL CAPITAL IMPROVEMENTS					**$ 7,076,868**	**$ 15,957,933**
OTHER SOURCES (USES)(1)						
Cash Sources (Uses)(4)					$ 12,488,582	$ 15,257,891
Lease Principal					(9,487)	(10,087)
Debt Service Transfers					(2,102,652)	(2,104,843)
Repair and Replacement Transfers					(6,061,060)	(6,113,843)
TOTAL OTHER SOURCES (USES)					**$ 4,315,383**	**$ 7,029,118**
NET CASH BASIS SOURCES (USES)	**$ 13,826,454**	**$ 13,129,820**	**$ 7,652,554**	**$ 6,645,599**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
WA21WL(2)(3) - Town Center Water Line Replacement	In Progress	$ 17,295,000	$ 5,267,000	$ 22,562,000	$ 12,970,000
WAWPWL(3) - Woodlands Parkway Water Line Replacement	Planned	-	33,329,000	33,329,000	2,292,000
TOTAL PROJECT LIST		**$ 17,295,000**	**$ 38,596,000**	**$ 55,891,000**	**$ 15,262,000**

(1) Actuals intentionally left blank.
(2) Multi-funded project- amounts shown are only for the funding souce of the report.
(3) Bond funds not issued.
(4) Includes Estimated FY2027 Project Spend.

San Jacinto River Authority - Woodlands Repair and Replacement
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 678,771	$ 1,200,730	$ 1,187,978	$ 652,560	$ 200,000	$ 450,000
Miscellaneous Revenue	130	8	8	-	-	-
TOTAL OTHER REVENUES	**$ 678,901**	**$ 1,200,738**	**$ 1,187,986**	**$ 652,560**	**$ 200,000**	**$ 450,000**
SUPPLIES, MATERIALS & UTILITIES						
Bank Service Charges	$ -	$ -	$ 25	$ -	$ -	$ -
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ -**	**$ -**	**$ 25**	**$ -**	**$ -**	**$ -**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 17,460,490	$ 12,721,374
TOTAL PROJECTS					**$ 17,460,490**	**$ 12,721,374**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 26,074,256	$ 32,232,267
Operating Fund Transfers					6,000,000	6,096,543
Transfers					-	5,067,877
TOTAL OTHER SOURCES (USES)					**$ 32,074,256**	**$ 43,396,687**
NET CASH BASIS SOURCES (USES)	**$ 678,901**	**$ 1,200,738**	**$ 1,187,961**	**$ 652,560**	**$ 14,813,766**	**$ 31,125,313**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
WA21WL[2] - Town Center Water Line Replacement	In Progress	$ 2,361,053	$ (710,414)	$ 1,650,639	$ 71,000
WXWDWS - Digital Water System	In Progress	963,773	-	963,773	-
WA25WR - Water Well No. 3 and 13 Rehabilitation	In Progress	1,125,000	(102,455)	1,022,545	568,000
WAEST6 - Elevated Storage Tank No. 6	In Progress	11,407,687	1,154,000	12,561,687	6,502,000
WA26WR - Water Well Nos. 7, 15 and 30 Rehabilitation	Planned	1,818,000	(80,000)	1,738,000	1,738,000
WAFPAC - Water Facility Painting and Coating	Planned	-	62,000	62,000	62,000
WAVALV - Water System Isolation Valves	Planned	-	100,000	100,000	100,000
WA27WR - Water Well Nos. 19 and 27 Rehabilitation	Planned	-	1,396,000	1,396,000	352,000
WWF1OA[2] - Wastewater Owner's Advisor	In Progress	834,096	58,394	892,490	345,000
WW02FR[2] - WWTF No. 2 Tertiary Filter Improvements (2nd and 3rc	In Progress	535,327	(8,000)	527,327	18,836
WWLS1B[2] - Lift Station No. 1 Gravity Main Bypass and Decommissi	In Progress	387,711	(13)	387,698	130,000
WWP2GC - WWTF No. 2 Grit Classifier Improvements	In Progress	1,300,444	-	1,300,444	356,000
WWFM21 - Lift Station No. 21 Force Main Renewal	In Progress	625,000	137,900	762,900	247,000
WWLS24[2] - Lift Station 24 Improvements	In Progress	608,000	-	608,000	244,600
WW21LS - Lift Station Rehabilitation	In Progress	800,000	100,000	900,000	100,000
WWP3BS - Wastewater Treatment Facility No. 3 Bar Screen Replace	Planned	-	220,000	220,000	220,000
WW13FM - Lift Station No. 13 Force Main Renewal	Planned	-	1,170,000	1,170,000	233,000
WW5FMR - Lift Station No. 5 Force Main Replacement	In Progress	9,546,938	-	9,546,938	536,938
WWMHRB - Wastewater System Manhole Rehabilitation	Planned	-	124,000	124,000	124,000
WWFPAC - Wastewater Facility Painting and Coating	Planned	-	40,000	40,000	40,000
WW2SCR - WWTF No. 2 Belt Press and Conveyor Replacement	Planned	-	8,366,000	8,366,000	733,000
WW21GR[2] - South Shore Gravity Main Rehabilitation	In Progress	263,888	-	263,888	-
WWF1LA[2] - Wastewater System Land Acquisition	On Hold	253,062	-	253,062	-
WW22FM - Forcemain Renewal	Cancelled	1,432,269	(1,370,933)	61,336	-
WAP3GN - Water Plant No. 1 and 3 Generator	In Progress	2,248,817	-	2,248,817	-
TOTAL PROJECT LIST		**$ 36,511,065**	**$ 10,656,479**	**$ 47,167,544**	**$ 12,721,374**

[1]Actuals intentionally left blank.

[2]Multi-funded project- amounts shown are only for the funding souce of the report.

San Jacinto River Authority - Woodlands 2017 Bonds
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 921,413	$ 1,347,356	$ 1,117,508	$ (1,748,028)	$ 200,000	$ -
TOTAL OTHER REVENUES	**$ 921,413**	**$ 1,347,356**	**$ 1,117,508**	**$ (1,748,028)**	**$ 200,000**	**$ -**
SUPPLIES, MATERIALS & UTILITIES						
Bank Account Analysis Fee	$ -	$ 3,459	$ -	$ -	$ -	$ -
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ -**	**$ 3,459**	**$ -**	**$ -**	**$ -**	**$ -**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 17,392,000	$ 10,088,000
TOTAL PROJECTS					**$ 17,392,000**	**$ 10,088,000**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ -	$ -
TOTAL OTHER SOURCES (USES)					**$ -**	**$ -**
NET CASH BASIS SOURCES (USES)	**$ 921,413**	**$ 1,343,897**	**$ 1,117,508**	**$ (1,748,028)**	**$ (17,192,000)**	**$ (10,088,000)**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
WW21GR[2] - South Shore Gravity Main Rehabilitation	In Progress	$ 12,690,433	$ 60,000	$ 12,750,433	$ 5,965,000
WW02FR[2] - WWTF No. 2 Tertiary Filter Improvements (2nd and 3rc	In Progress	5,366,000	-	5,366,000	374,000
WWLS1B[2] - Lift Station No. 1 Gravity Main Bypass and Decommissi	In Progress	4,000,000	249,000	4,249,000	3,749,000
WWF1NP[2] - Water Reclamation Facility No. 1	On Hold	1,787,286	(1,787,286)	-	-
TOTAL PROJECT LIST		**$ 23,843,719**	**$ (1,478,286)**	**$ 22,365,433**	**$ 10,088,000**

[1]Actuals intentionally left blank.

[2]Multi-funded project- amounts shown are only for the funding souce of the report.

San Jacinto River Authority - Woodlands Lift Station No. 24 Grant Fund
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Grant Revenue	$ -	$ -	$ -	$ -	$ -	$ 958,000
TOTAL OTHER REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 958,000**
PROJECTS(1)						
Estimated FY2027 Projects Spend					$ -	$ 958,000
TOTAL PROJECTS					**$ -**	**$ 958,000**
NET CASH BASIS SOURCES (USES)	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
WWLS24(2) - Lift Station 24 Improvements	In Progress	$ -	$ 1,825,000	$ 1,825,000	$ 958,000
TOTAL PROJECT LIST		**$ -**	**$ 1,825,000**	**$ 1,825,000**	**$ 958,000**

(1)Actuals intentionally left blank.

(2)Multi-funded project- amounts shown are only for the funding souce of the report.

San Jacinto River Authority - Woodlands 2017 Debt Service and Debt Service Reserve
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 109,535	$ 170,188	$ 136,240	$ 67,660	$ -	$ -
TOTAL OTHER REVENUES	**$ 109,535**	**$ 170,188**	**$ 136,240**	**$ 67,660**	**$ -**	**$ -**
OPERATING EXPENSES						
SUPPLIES, MATERIALS & UTILITIES						
Bank Account Analysis Fee	$ -	$ 304	$ -	$ -	$ -	$ -
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ -**	**$ 304**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL OPERATING EXPENSES	**$ -**	**$ 304**	**$ -**	**$ -**	**$ -**	**$ -**
NON-OPERATING EXPENSES						
Interest Expense	$ 455,627	$ 451,267	$ 444,078	$ 253,471	$ 433,902	$ 421,093
TOTAL NON-OPERATING EXPENSES	**$ 455,627**	**$ 451,267**	**$ 444,078**	**$ 253,471**	**$ 433,902**	**$ 421,093**
TOTAL EXPENSES	**$ 455,627**	**$ 451,571**	**$ 444,078**	**$ 253,471**	**$ 433,902**	**$ 421,093**
NET REVENUES OVER EXPENSES	**$ (346,092)**	**$ (281,383)**	**$ (307,839)**	**$ (185,812)**	**$ (433,902)**	**$ (421,093)**
OTHER SOURCES (USES)[1]						
Bond Principal					$ (1,668,750)	$ (1,683,750)
Operating Fund Transfers					2,102,652	2,104,843
TOTAL OTHER SOURCES (USES)					**$ 433,902**	**$ 421,093**
NET CASH BASIS SOURCES (USES)	**$ (346,092)**	**$ (281,383)**	**$ (307,839)**	**$ (185,812)**	**$ -**	**$ -**

[1]Actuals intentionally left blank.

San Jacinto River Authority - Water Supply Bonds
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capacity Revenue	$ 2,312,750	$ 2,286,250	$ 2,299,250	$ 622,000	$ 2,301,771	$ 2,296,042
TOTAL OPERATING REVENUES	**$ 2,312,750**	**$ 2,286,250**	**$ 2,299,250**	**$ 622,000**	**$ 2,301,771**	**$ 2,296,042**
OTHER REVENUES						
Interest Income	$ 36,618	$ 45,702	$ 54,742	$ 15,877	$ 11,000	$ 11,000
TOTAL OTHER REVENUES	**$ 36,618**	**$ 45,702**	**$ 54,742**	**$ 15,877**	**$ 11,000**	**$ 11,000**
OPERATING EXPENSES						
PROFESSIONAL FEES						
Disclosure Filing	$ 250	$ -	$ -	$ 750	$ 250	$ 250
Arbitrage Rebate Audit	-	-	3,250	-	-	-
Paying Agent Fees	750	825	825	-	825	825
TOTAL PROFESSIONAL FEES	**$ 1,000**	**$ 825**	**$ 4,075**	**$ 750**	**$ 1,075**	**$ 1,075**
TOTAL OPERATING EXPENSES	**$ 1,000**	**$ 825**	**$ 4,075**	**$ 750**	**$ 1,075**	**$ 1,075**
NON-OPERATING EXPENSES						
Interest Expense	$ 788,813	$ 712,625	$ 658,583	$ 340,521	$ 578,854	$ 492,708
TOTAL NON-OPERATING EXPENSES	**$ 788,813**	**$ 712,625**	**$ 658,583**	**$ 340,521**	**$ 578,854**	**$ 492,708**
TOTAL EXPENSES	**$ 789,813**	**$ 713,450**	**$ 662,658**	**$ 341,271**	**$ 579,929**	**$ 493,783**
NET REVENUES OVER EXPENSES	**$ 1,559,556**	**$ 1,618,502**	**$ 1,691,334**	**$ 296,606**	**$ 1,732,842**	**$ 1,813,258**
OTHER SOURCES (USES)[1]						
Bond Principal					$ (1,722,917)	$ (1,803,333)
TOTAL OTHER SOURCES (USES)					**$ (1,722,917)**	**$ (1,803,333)**
NET CASH BASIS SOURCES (USES)	**$ 1,559,556**	**$ 1,618,502**	**$ 1,691,334**	**$ 296,606**	**$ 9,925**	**$ 9,925**

[1]Actuals intentionally left blank.

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San Jacinto River Authority - Waste Disposal Bonds
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capacity Revenue	$ 978,750	$ 976,750	$ 983,750	$ 252,000	$ 982,146	$ 983,375
TOTAL OPERATING REVENUES	**$ 978,750**	**$ 976,750**	**$ 983,750**	**$ 252,000**	**$ 982,146**	**$ 983,375**
OTHER REVENUES						
Interest Income	$ 19,008	$ 23,742	$ 20,226	$ 8,018	$ 5,700	$ 5,700
TOTAL OTHER REVENUES	**$ 19,008**	**$ 23,742**	**$ 20,226**	**$ 8,018**	**$ 5,700**	**$ 5,700**
OPERATING EXPENSES						
PROFESSIONAL FEES						
Disclosure Filing	$ 250	$ -	$ -	$ 750	$ 250	$ 250
Arbitrage Rebate Audit	-	-	3,250	-	-	-
Paying Agent Fees	750	825	825	-	825	825
TOTAL PROFESSIONAL FEES	**$ 1,000**	**$ 825**	**$ 4,075**	**$ 750**	**$ 1,075**	**$ 1,075**
TOTAL OPERATING EXPENSES	**$ 1,000**	**$ 825**	**$ 4,075**	**$ 750**	**$ 1,075**	**$ 1,075**
NON-OPERATING EXPENSES						
Interest Expense	$ 305,950	$ 279,000	$ 251,083	$ 126,729	$ 215,063	$ 176,708
TOTAL NON-OPERATING EXPENSES	**$ 305,950**	**$ 279,000**	**$ 251,083**	**$ 126,729**	**$ 215,063**	**$ 176,708**
TOTAL EXPENSES	**$ 306,950**	**$ 279,825**	**$ 255,158**	**$ 127,479**	**$ 216,138**	**$ 177,783**
NET REVENUES OVER EXPENSES	**$ 690,808**	**$ 720,667**	**$ 748,818**	**$ 132,539**	**$ 771,708**	**$ 811,292**
OTHER SOURCES (USES)[1]						
Bond Principal					$ (767,083)	$ (806,667)
TOTAL OTHER SOURCES (USES)					**$ (767,083)**	**$ (806,667)**
NET CASH BASIS SOURCES (USES)	**$ 690,808**	**$ 720,667**	**$ 748,818**	**$ 132,539**	**$ 4,625**	**$ 4,625**

[1] Actuals intentionally left blank.

San Jacinto River Authority - Future Facilities
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capital Contributions	$ 1,019,109	$ -	$ 1,409,767	$ -	$ -	$ -
TOTAL OPERATING REVENUES	**$ 1,019,109**	**$ -**	**$ 1,409,767**	**$ -**	**$ -**	**$ -**
OTHER REVENUES						
Interest Income	$ 184,648	$ 259,716	$ 229,768	$ 119,525	$ 55,000	$ 55,000
TOTAL OTHER REVENUES	**$ 184,648**	**$ 259,716**	**$ 229,768**	**$ 119,525**	**$ 55,000**	**$ 55,000**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 5,177,705	$ 6,849,413
Transfers					-	(5,067,877)
TOTAL OTHER SOURCES (USES)					**$ 5,177,705**	**$ 1,781,536**
NET CASH BASIS SOURCES (USES)	**$ 1,203,757**	**$ 259,716**	**$ 1,639,536**	**$ 119,525**	**$ 5,232,705**	**$ 1,836,536**

[1]Actuals intentionally left blank.

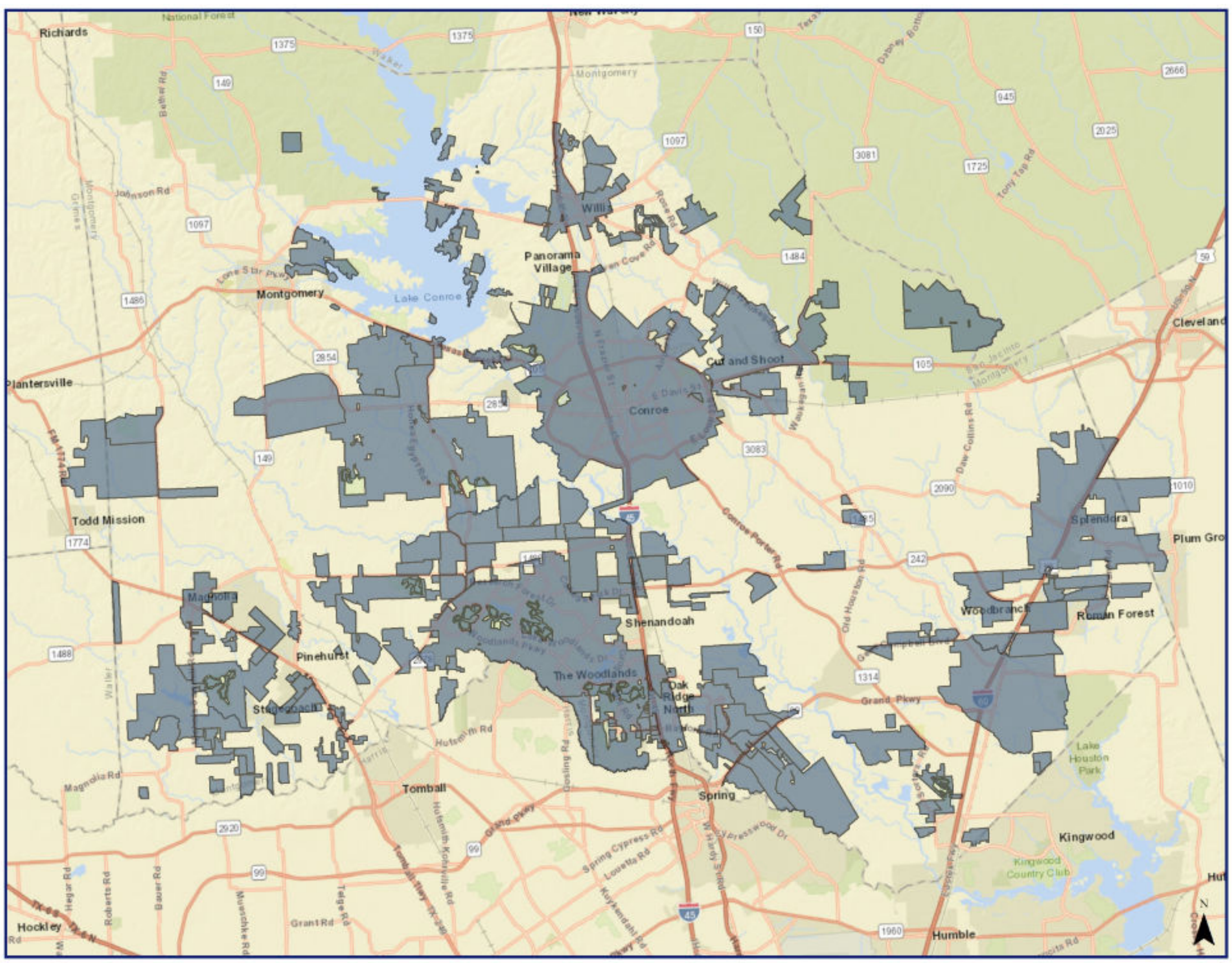
GRP Division

The Lone Star Groundwater Conservation District (LSGCD) adopted its District Regulatory Plan Phase IIB Rules on August 20, 2009. These rules required large-volume groundwater users in Montgomery County to reduce groundwater pumping by 30% by calendar year 2016 through participation in a Groundwater Reduction Plan (GRP).

In response, the GRP Division was established in 2010 by the Board of Directors as a separate operating division of SJRA. In 2011, the GRP Division submitted, and LSGCD certified, the Groundwater Reduction Plan on behalf of participating entities. The Plan outlines the collective compliance strategy for the original 79 contracts.

The Woodlands Division of SJRA is one of the permits included in the original LSGCD authorization. Since its inception, the Plan has expanded to include 80 contracts representing 149 water systems and serving an estimated population of 365,000 residents.

Map of GRP Participants



Surface Water Treatment Plant

The GRP Division constructed a 30-million-gallon-per-day (MGD) surface water treatment plant on the southern shore of Lake Conroe to provide treated surface water to seven participants. Delivery is made through two primary transmission lines and 19 separate surface water receiving facilities.

The surface water treatment facility was completed in September 2015, and the GRP Division began supplying treated surface water to all seven participants in advance of the LSGCD regulatory requirements.

Adjustment to LSGCD Rules and Regulations

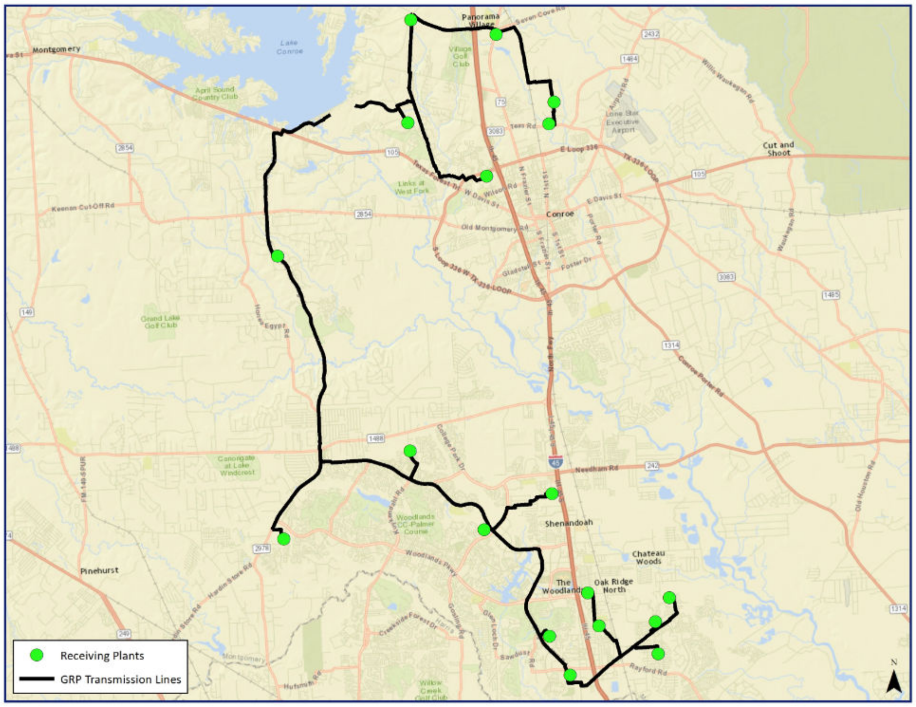
In November 2018, after the SJRA funded and built its GRP water treatment plant to treat and distribute surface water from Lake Conroe to large volume users in Montgomery County, a new Board of Directors was elected to LSGCD. In February 2019, LSGCD issued a notice to groundwater users indicating that groundwater reduction requirements would be removed from its rules upon final judgment of Cause No. 15-08-08942. The judgment became final on May 17, 2019.

In September 2020, LSGCD adopted revised management rules eliminating the requirement for large-volume groundwater users in Montgomery County to reduce groundwater pumping through a GRP. The updated rules also removed requirements related to maintaining reduced pumpage levels based on projected Desired Future Conditions (DFCs) of the aquifers as established by Groundwater Management Area 14 (GMA14).

As a result of the above-referenced judgment, the requirement for GRP participants to reduce groundwater pumpage is no longer in effect. The GRP Division will continue to maintain existing participant contracts and will operate, manage, and maintain the surface water treatment plant and transmission system in accordance with the contracts.

During this interim period, the GRP facility will be utilized to the extent practicable, provided that full utilization does not adversely impact GRP rates.

Map of GRP Transmission Lines and Receiving Facilities



Major Initiatives

Through FY2027, the GRP Division has undertaken several major initiatives to enhance operational efficiency and improve system performance across the Division.

1. **Production of Surface Water**

   In recent years, surface water production has increased from 12 MGD to the FY2027 budgeted level of 21.14 MGD. Additional requests are currently under evaluation to increase average daily production to 22.35 MGD. With the increase in surface water demand, the treatment plant now operates at a minimum of 16 MGD during colder months and up to 29 MGD during warmer months. Given the facility's maximum rated capacity of 30 MGD, any additional requests for surface water will require careful evaluation to ensure they do not exceed the plant's operational limitations.

2. **Asset Management**

   The GRP Division is focused on maintaining and managing its assets through its asset management program. The Division has fully adopted the SJRA's Enterprise Asset Management and Computerized Maintenance Management System (EAM/CMMS), which supports comprehensive lifecycle tracking of assets.

   The EAM/CMMS system enables the Division to monitor assets throughout their service life, document planned and corrective maintenance activities, and assist in determining optimal replacement timing for capital assets.

3. **Unutilized capacity**

In recent years, studies have been completed and additional evaluations are currently underway to assess unutilized capacity within the GRP surface water treatment plant. Available capacity has been identified primarily in the granular activated carbon (GAC), membrane, and pretreatment processes.

These areas have been identified as operational bottlenecks that, if addressed, may allow for increased surface water production at minimal cost and without expansion of the existing facility. The GRP Division is actively evaluating aging infrastructure within these areas that require replacement in the near term and is seeking opportunities to eliminate these constraints while simultaneously addressing infrastructure renewal needs.

Capital Improvement and Project Plans

Each year, the GRP Division conducts risk assessments and infrastructure evaluations to assess the condition of its assets. The Division evaluates both the likelihood and consequences of asset failure and prioritizes projects based on factors that support reliable and cost-effective service delivery. Through these analyses, multiple projects and condition assessments have been identified. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

As of August 31, 2025, the GRP Division had total outstanding indebtedness of $355,955,000, comprised of the following bond issuances:

- Series 2009 Special Project Revenue Bonds (Outstanding: $ $ 7,775,000; Matures 10/1/28)
- Series 2011 Special Project Revenue Bonds (Outstanding:; $56,010,000 Matures 10/1/37)
- Series 2011A Special Project Revenue Bonds (Outstanding: $ 39,595,000; Matures 10/1/35)
- Series 2012 Special Project Revenue Bonds (Outstanding: $ 110,330,000: Matures 10/1/37)
- Series 2012A Special Project Revenue Bonds (Outstanding: $ 114,520,000: Matures 10/1/40)*
- Series 2013 Special Project Revenue Bonds (Outstanding: $ 26,025,000: Matures 10/1/39)
- Series 2016 Special Project Revenue Bonds (Outstanding $ 1,700,000: Matures 10/1/41)

Annual debt service (principal and interest) for the above bond issuances is budgeted at $32,331,536 for FY2027. Debt service payments are made annually in April (interest only) and October (principal and interest), with monthly accruals of principal and interest recorded throughout the fiscal year. Debt Service Reserves for these bond issuances were fully funded as of FY2026.

Staffing Plans

The GRP Division's FY2027 staffing plan includes 23 direct FTE positions, with no part-time, temporary, or intern positions. Of these 23 FTEs, 1 position is allocated to the Woodlands Division. In addition to direct staffing, the GRP Division receives an allocation of 20.89 FTEs from G&A departments and the Utility Enterprise for FY2027. Accordingly, total FY2027 staffing associated with the GRP Division, including both direct and allocated positions, is 42.89 FTEs.

Revenues

The initial step in the GRP Division's budgeting process is to determine total water demand among participants and allocate that demand between groundwater and surface water. For FY2027, planned surface water production is 7.717 billion gallons.

GRP rates remain unchanged for FY2027. The GRP Pumping Fee is budgeted at $2.51 per 1,000 gallons, generating groundwater revenue of $45,331,102. The GRP Surface Water Fee is budgeted at $3.10 per 1,000 gallons, resulting in surface water revenue of $23,922,172.

Additional revenues include $30,396 from office rental, $275,000 in interest income, and $77,876 in Industrial Revenue and Industrial Reservation Fees from Entergy, which offset costs associated with water supply reserved for future use but not required to meet FY2027 surface water production demands.

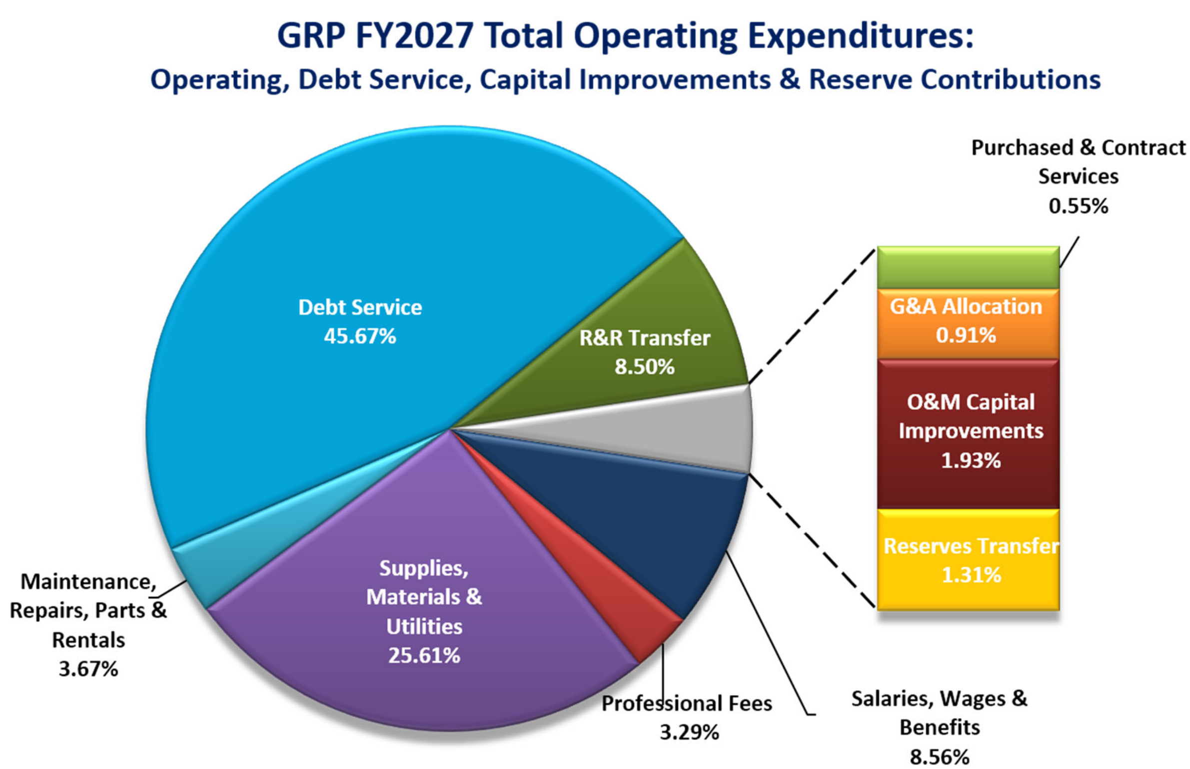
Total FY2027 GRP Division Operating and Maintenance (O&M) revenues are budgeted at $70,789,547.

Expenditures

The FY2026 GRP Division expenses include the routine and customary costs associated with the ongoing operation and maintenance of the GRP Surface Water Treatment Plant. These 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

Total O&M expenditures for the GRP Division, including operating costs, debt service, capital improvements, and all other cash uses, are budgeted at $70,789,547.



Fund Balance and Reserves

Based on actual monthly revenues and expenditures for FY2027, along with forecasted results for the remaining months of FY2026, the GRP Division's operating fund balance at the end of FY2026 (beginning of FY2027) is projected to remain above the established three-month operating reserve target.

As approved by the GRP Review Committee on July 22, 2019, and the Board of Directors on July 25, 2019, the GRP Division maintains two reserve funds and a R&R Fund, as described below.

1. **Operating & Rate Stabilization Reserve**

   The GRP Operating and Rate Stabilization Reserve (Operating Reserve) was established to support cash flow management as well as rate and revenue stability. The target balance is set at an amount equal to three months of operating expenditures, with minimum balances of $7,424,772 for FY2026 and $7,536,449 for FY2027.

   At the beginning of FY2026, the combined Operating Reserve and General Fund balance totaled $38,023,878, representing approximately 15.57 months of operating reserves. At fiscal year-end FY2026, the Operating Reserve is projected to exceed the three-month target of operating expenses.

2. **Emergency Reserve**

   The GRP Emergency Reserve was established to provide 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 in the amount of $2,000,000. Emergency Reserve contributions are to be made only after the Operating & Rate Stabilization Reserve funding targets are met. The Emergency Reserve is fully funded with a balance of $2,275,652 at the beginning of FY2026.

3. **Repair & Replacement (R&R Fund)**

   The GRP R&R Fund has a minimum balance of $4,600,000 and was established to provide annual funding for the renewal and/or replacement of GRP assets with an expected service life greater than 10 years, as well as projects included in the 10-year Project Plan, in order to mitigate significant rate impacts.

   Contributions to the R&R Fund are made only after the Operating and Rate Stabilization Reserve and Emergency Reserve funding requirements have been met. As of the beginning of FY2026, the R&R Fund is fully funded with a balance of $6,879,117.

For FY2027, the net difference between revenues and expenditures, including annual debt service and scheduled contributions to both reserves and the R&R Fund, is budgeted at $0.

San Jacinto River Authority - GRP Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Water Sales-Industrial-Conroe	$ 613,237	$ 365,900	$ 74,095	$ -	$ 77,928	$ -
Crossing & Encroachment Fees	-	-	-	11,000	-	-
Industrial Reservation Fee	175,979	202,520	281,576	138,055	80,080	77,876
GRP Pumping Fees	52,163,601	48,861,599	46,230,494	22,573,773	37,424,396	38,835,599
GRP Pumping Fees-Woodlands	9,510,024	8,321,825	7,545,925	4,325,173	7,258,862	6,495,504
GRP Surface Water Sales	6,246,065	6,121,882	5,789,894	6,572,048	14,013,693	13,964,973
GRP Surface Water Sales-Woodlands	9,809,114	9,380,371	9,050,154	4,770,047	8,947,253	9,957,199
Repair Recovery Revenue	-	-	70,036	-	-	-
Other Operating Revenue	-	(12,000,000)	34,933	0	-	-
Capital Contributions[3]	-	-	-	-	1,270,000	1,153,000
TOTAL OPERATING REVENUES	**$ 78,518,019**	**$ 61,254,097**	**$ 69,077,108**	**$ 38,390,096**	**$ 69,072,211**	**$ 70,484,151**
OTHER REVENUES						
Interest Income	$ 960,639	$ 1,789,278	$ 1,300,426	$ 874,782	$ 275,000	$ 275,000
Interest on Accounts Receivable	2,755,883	2,196,484	321,522	193,300	-	-
Office Rental Revenue	5,400	5,400	28,562	18,340	29,140	30,396
Miscellaneous Revenue	5,931	4,333	5,396	-	-	-
FEMA Grant Revenue	-	-	53,938	-	-	-
Other Gains & Losses	6,000	9,000	-	-	-	-
TOTAL OTHER REVENUES	**$ 3,733,853**	**$ 4,004,495**	**$ 1,709,843**	**$ 1,086,423**	**$ 304,140**	**$ 305,396**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 3,392,955	$ 3,029,049	$ 3,467,176	$ 2,213,451	$ 3,841,915	$ 4,254,302
Compensated Absences	28,516	126,491	(9,975)	-	-	-
Group Insurance	641,630	588,786	615,790	423,174	674,458	954,888
Group Retirement Expense	384,115	404,301	394,904	236,681	437,461	480,511
Workers Compensation Insurance	43,852	36,084	50,982	16,119	43,018	33,036
Social Security Taxes	244,992	220,498	253,801	156,682	293,906	318,955
Employee Benefits Services	20,365	18,140	15,755	7,189	14,729	15,464
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 4,756,425**	**$ 4,423,349**	**$ 4,788,434**	**$ 3,053,296**	**$ 5,305,488**	**$ 6,057,157**
PROFESSIONAL FEES						
Legal Fees	$ 2,588,596	$ 2,994,773	$ 991,069	$ 225,586	$ 2,100,000	$ 2,000,000
Disclosure Filing	500	-	-	1,500	500	500
Annual Financial Audit	17,343	16,502	22,136	14,539	26,400	39,495
Arbitrage Rebate Audit	3,250	3,250	3,250	-	-	3,250
Management Audit	-	-	-	13,696	13,700	-
Paying Agent Fees	4,800	3,725	6,375	10,250	5,775	5,775
Engineering	187,181	556,262	177,328	8,751	415,000	262,000
Inspections	10,297	10,440	7,015	3,717	10,000	11,000
Staffing Services	4,834	298	-	-	-	-
Safety Inspections & Testing	674	933	-	914	3,000	2,500
Public Relations Consultant	-	10,000	-	-	-	-
Graphic Design	2,500	3,450	3,450	1,610	6,000	6,000
TOTAL PROFESSIONAL FEES	**$ 2,819,975**	**$ 3,599,633**	**$ 1,210,622**	**$ 280,564**	**$ 2,580,375**	**$ 2,330,520**
PURCHASED & CONTRACTED SERVICES						
Waste Disposal Services	$ 4,998	$ 7,130	$ 5,669	$ 3,517	$ 7,320	$ 7,320
Sludge Disposal	165,333	196,048	151,855	114,496	242,250	249,543
Meter Calibration Services	-	1,245	2,029	1,788	2,000	2,000
Commercial Laboratory Fees	11,378	10,791	10,153	7,271	15,000	12,000
Groundwater District Fees	128	128	128	-	500	-
Employee Testing- New	138	-	181	91	1,112	800
Janitorial Services	37,350	36,300	37,518	21,175	37,950	40,000
Water Conservation & Public Education	9,257	26,259	475	-	55,694	55,694
Website Hosting & Maintenance	(34)	712	-	1,637	3,905	4,100
Meeting Expenses	2,700	1,832	1,908	606	2,750	2,750
Public Official Liability	5,661	6,640	6,900	3,756	7,500	7,500
Line Locates	2,319	3,043	4,050	2,060	4,500	4,500
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 239,228**	**$ 290,129**	**$ 220,866**	**$ 156,398**	**$ 380,481**	**$ 386,207**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 10,451	$ 10,774	$ 9,430	$ 4,480	$ 11,220	$ 12,500
Travel	4,601	4,297	6,127	510	6,000	9,000
Automobile & Truck Expense	32,362	27,379	47,029	28,915	33,000	37,000
Storm Preparedness & Response	799	1,212	80	203	2,750	2,750

San Jacinto River Authority - GRP Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Postage	3,772	4,079	4,259	3,651	4,800	4,800
Property Insurance	502,111	290,030	317,575	186,975	371,628	349,332
Auto Insurance	15,947	16,971	16,707	9,806	19,189	18,377
Liability Insurance	14,950	15,010	13,644	9,133	17,431	15,008
Small Tools Purchases	12,928	12,788	-	-	-	-
Training	21,852	11,801	5,523	13,637	23,000	38,000
Training-Employee HR	1,220	330	77	-	6,249	6,560
Safety Training	-	-	-	63	1,103	1,000
Copper Sulfate	21,661	36,124	25,389	15,413	48,000	51,600
Citric Acid	43,846	82,749	54,505	-	121,200	159,000
Granulated Activated Carbon	2,947,045	3,823,574	2,354,274	1,166,677	3,146,000	2,750,000
Aluminum Chlorohydrate	736,743	600,139	485,439	290,032	1,399,238	740,000
Sodium Permanganate	183,905	163,072	174,758	78,982	243,643	224,000
Sodium Bisulfate	15,329	23,678	22,760	15,019	43,508	36,000
Sodium Hydroxide	38,027	34,707	21,712	9,280	29,523	26,000
Sodium Hypochlorite	396,031	500,960	451,839	263,413	596,677	620,000
Polymer	31,855	25,093	35,960	(2,610)	67,592	60,400
Lab Contracts-Support/Maintenance	11,321	5,494	9,626	4,633	20,000	20,000
Managers Expense	1,243	1,408	-	-	-	-
Employee Relations	7,785	7,286	6,774	8,288	24,738	26,573
Fuel	52,692	64,279	58,395	22,001	121,700	132,000
Uniform Services	5,566	11,210	11,344	6,533	13,700	15,000
Lab Supplies	21,601	19,917	27,016	8,952	22,000	22,000
Supplies	41,054	52,296	70,311	52,740	67,000	109,000
Memberships & Professional Dues	1,444	2,425	1,971	498	1,600	1,600
Signage	-	-	-	-	-	50,000
Copier, Scanner & Fax	5,210	8,463	7,783	6,079	10,500	12,500
Utilities-Electric	1,311,655	1,150,867	1,162,315	745,300	1,971,000	1,829,201
Utilities-Sewer	207,562	236,940	195,583	117,725	362,900	260,000
Reservation Fees-City of Houston	2,579,148	1,615,858	2,342,526	1,349,492	1,875,274	2,125,911
Reservation Fees-SJRA	434,433	230,422	163,359	-	-	-
Supply Use Fee-City of Houston	-	-	3,030,896	5,442,387	7,097,793	7,241,420
Supply Use Fee-SJRA	2,571,930	2,625,191	908,912	-	39,979	342,476
Bank Service Charges	(70)	(35)	75	-	-	-
Bank Account Analysis Fee	-	-	-	-	-	6,667
Personal Protective Equipment	4,974	5,493	3,027	2,898	9,000	9,000
Safety Equipment & Meetings	3,627	1,254	3,867	910	3,000	2,500
Health & Wellness Program	-	1,151	461	111	1,785	1,874
Recruiting Expenses	5,965	1,396	3,412	25	13,390	8,201
Computer Hardware	65,328	70,277	48,286	37,009	97,156	72,870
Physical Security	39,998	33,350	31,115	37,628	62,848	63,239
Software & Support	148,636	158,891	175,861	114,467	411,208	443,446
Software Maintenance	59,951	69,679	112,549	75,003	108,246	100,785
Network Communications	10,563	11,700	21,671	7,533	19,093	19,576
Publications & Subscriptions	210	335	-	-	1,250	1,250
Newspaper Ads	616	1,056	-	-	1,000	1,000
Wireless Devices & Services	22,515	18,584	18,639	8,345	42,400	42,400
Phone System-Install, Maintenance, & Changes	7,877	-	-	-	3,825	3,825
Landline Telephone Services	12,701	15,178	23,398	10,984	4,361	4,200
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 12,670,969**	**$ 12,105,131**	**$ 12,486,258**	**$ 10,153,124**	**$ 18,598,495**	**$ 18,129,842**
RENTALS						
Equipment Rentals	$ -	$ 1,714	$ 1,431	$ 1,211	$ 4,000	$ 4,000
TOTAL RENTALS	**$ -**	**$ 1,714**	**$ 1,431**	**$ 1,211**	**$ 4,000**	**$ 4,000**
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ 102,938	$ 155,247	$ 206,397	$ 128,415	$ 191,180	$ 203,680
Office, Furniture, & Fixtures	685	6,688	5,369	-	2,000	2,000
Air Conditioner	199,624	39,780	20,305	75,897	47,500	247,500
Yards & Grounds	79,929	79,065	174,962	27,221	108,000	125,000
Buildings	72,844	93,752	51,168	23,722	104,600	105,000
Buildings & Grounds	-	-	276	-	-	-
Security System Monitoring	5,334	4,268	3,766	1,711	10,000	10,000
Electrical	174,628	253,641	285,605	17,640	301,000	301,000
Generators	45,868	134,848	73,260	36,739	80,000	80,000
Pumps & Motors	20,922	55,070	50,673	61,040	120,000	120,000
Compressor	-	2,964	1,234	3,882	5,000	5,000
Aerators	7,167	1,839	6,990	-	10,000	10,000

San Jacinto River Authority - GRP Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Machinery, Tools, & Implements	27,616	24,166	25,491	13,086	27,000	27,000
Belt Press	-	18,318	-	5,908	13,000	30,000
Pipeline Transmission System	44,252	153,900	947,659	240,376	224,000	805,000
Lines & Valves	-	-	-	156	-	-
Valves	111,560	60,532	106,887	5,284	180,000	70,000
Laboratory Equipment	1,073	19,917	1,200	4,628	6,000	6,000
Plants & Facilities	107,399	192,353	168,265	53,396	76,000	70,000
Pretreatment	10,258	40,800	9,732	4,156	-	-
Membrane	8,828	40,274	40,226	4,422	64,500	65,000
Networking and Communications - SCADA	518	9,151	889	934	1,800	5,200
Chemical Handling	16,208	25,502	49,271	547	50,000	50,000
A/C Contracts-Support/Maintenance	10,680	10,920	11,053	6,679	11,500	12,000
Electrical Contracts-Support/Maintenance	62,677	62,677	62,677	36,562	62,700	62,700
Compressor Contracts-Support/Maintenance	20,491	22,085	23,631	15,049	25,500	34,500
Aerator Contracts-Support/Maintenance	132,000	132,000	132,000	77,000	132,000	136,000
Membrane Contracts-Support/Maintenance	8,325	8,759	9,213	3,383	11,000	11,000
Inventory Gains and Losses	(5,891)	1,353	(1)	-	-	-
Bad Debt Expense	28,144	22,341	9,861,651	-	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 1,294,076**	**$ 1,672,210**	**$ 12,329,848**	**$ 847,831**	**$ 1,864,280**	**$ 2,593,580**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 377,284	$ 308,253	$ 343,863	$ 210,662	$ 569,817	$ 644,492
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 377,284**	**$ 308,253**	**$ 343,863**	**$ 210,662**	**$ 569,817**	**$ 644,492**
TOTAL OPERATING EXPENSES	**$ 22,157,956**	**$ 22,400,418**	**$ 31,381,322**	**$ 14,703,085**	**$ 29,302,935**	**$ 30,145,798**
TOTAL EXPENSES	**$ 22,157,956**	**$ 22,400,418**	**$ 31,381,322**	**$ 14,703,085**	**$ 29,302,935**	**$ 30,145,798**
NET REVENUES OVER EXPENSES	**$ 60,093,916**	**$ 42,858,174**	**$ 39,405,629**	**$ 24,773,433**	**$ 40,073,416**	**$ 40,643,749**
CAPITAL IMPROVEMENTS(1)						
Water Treatment Plant & Facilities					$ 459,000	$ 30,000
Transmission Lines & Facilities(3)					1,270,000	1,153,000
Other Machinery & Equipment					15,000	90,000
Transportation Equipment					185,000	30,000
Computer Equipment					179,939	65,756
TOTAL CAPITAL IMPROVEMENTS					**$ 2,108,939**	**$ 1,368,756**
OTHER SOURCES (USES)(1)						
Debt Service Reserve Funds					$ (1,302,167)	$ -
Operating Reserve					18,666,499	(928,617)
Debt Service Transfers					(50,997,989)	(32,331,536)
Repair and Replacement Transfers					(4,330,820)	(6,014,840)
TOTAL OTHER SOURCES (USES)					**$ (37,964,477)**	**$ (39,274,993)**
NET CASH BASIS SOURCES (USES)	**$ 60,093,916**	**$ 42,858,174**	**$ 39,405,629**	**$ 24,773,433**	**$ 0**	**$ 0**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
GSW75R(2) - SH 75 Transmission Line Relocation	Planned	$ -	$ 2,847,000	$ 2,847,000	$ 952,000
GS830R(2) - FM 830 Transmission Line Relocation	Planned	-	201,000	201,000	201,000
TOTAL PROJECT LIST		**$ -**	**$ 3,048,000**	**$ 3,048,000**	**$ 1,153,000**

(1)Actuals intentionally left blank.
(2)Potential Reimbursement Project.
(3)Includes Estimated FY2027 Project Spend.

San Jacinto River Authority - GRP Debt Service and Debt Service Reserve Fund
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 2,048,634	$ 2,556,161	$ 2,324,489	$ 921,131	$ -	$ -
Interest on Accounts Receivable	-	168,269	-	-	-	-
TOTAL OTHER REVENUES	**$ 2,048,634**	**$ 2,724,431**	**$ 2,324,489**	**$ 921,131**	**$ -**	**$ -**
NON-OPERATING EXPENSES						
Interest Expense	$ 18,764,085	$ 18,200,894	$ 16,709,648	$ 8,778,776	$ 14,775,072	$ 13,736,536
TOTAL NON-OPERATING EXPENSES	**$ 18,764,085**	**$ 18,200,894**	**$ 16,709,648**	**$ 8,778,776**	**$ 14,775,072**	**$ 13,736,536**
TOTAL EXPENSES	**$ 18,764,085**	**$ 18,200,894**	**$ 16,709,648**	**$ 8,778,776**	**$ 14,775,072**	**$ 13,736,536**
NET REVENUES OVER EXPENSES	**$ (16,715,451)**	**$ (15,476,463)**	**$ (14,385,159)**	**$ (7,857,645)**	**$ (14,775,072)**	**$ (13,736,536)**
OTHER SOURCES (USES)[1]						
Bond Principal					$ (36,222,917)	$ (18,595,000)
Operating Fund Transfers					52,300,156	32,331,536
TOTAL OTHER SOURCES (USES)					**$ 16,077,239**	**$ 13,736,536**
NET CASH BASIS SOURCES (USES)	**$ (16,715,451)**	**$ (15,476,463)**	**$ (14,385,159)**	**$ (7,857,645)**	**$ 1,302,167**	**$ -**

[1]Actuals intentionally left blank.

San Jacinto River Authority - GRP Repair and Replacement
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 140,779	$ 259,703	$ 289,862	$ 163,639	$ -	$ -
TOTAL OTHER REVENUES	**$ 140,779**	**$ 259,703**	**$ 289,862**	**$ 163,639**	**$ -**	**$ -**
PROJECTS[(1)]						
Estimated FY2027 Projects Spend					$ 1,013,000	$ 3,226,000
TOTAL PROJECTS					**$ 1,013,000**	**$ 3,226,000**
OTHER SOURCES (USES)[(1)]						
Cash Sources (Uses)					$ 6,762,000	$ 11,100,000
Operating Fund Transfers					4,260,000	6,000,000
TOTAL OTHER SOURCES (USES)					**$ 11,022,000**	**$ 17,100,000**
NET CASH BASIS SOURCES (USES)	**$ 140,779**	**$ 259,703**	**$ 289,862**	**$ 163,639**	**$ 10,009,000**	**$ 13,874,000**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
GSWRFO - Surface Water Receiving Facility Optimization	Completed	$ 1,516,603	$ (1,332,935)	$ 183,668	$ -
GSWWOR - White Oak Creek Transmission Line Repair	Planned	-	2,847,000	2,847,000	1,127,000
GSWMRO - Membrane Replacement and Optimization	In Progress	7,594,672	11,032,000	18,626,672	1,105,000
GSWBPU - Redundant Power Feasibility Study	Planned	-	335,000	335,000	335,000
GSWSEP - SWTP Roof Repairs	Planned	-	1,617,000	1,617,000	29,000
GSWEEP - SWTP Electrical System Testing & Repairs	Planned	-	886,000	886,000	150,000
GSWRFR - Water Receiving Facility Renewal	Planned	-	2,348,000	2,348,000	288,000
GSWTLA - Cathodic Protection Assessment & Repairs	Planned	-	1,536,000	1,536,000	134,000
GSWPAP - SWTF HVAC Renewal	Planned	-	2,021,000	2,021,000	58,000
TOTAL PROJECT LIST		**$ 9,111,275**	**$ 21,289,065**	**$ 30,400,340**	**$ 3,226,000**

[(1)]Actuals intentionally left blank.

Flood Management Division

In response to a March 2018 press release by Texas Governor Greg Abbott, SJRA 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 some other entities in Texas with flood mitigation responsibilities, the SJRA receives no funding from the State of Texas, nor does it have authority to collect taxes, for the purpose of funding flood mitigation efforts. 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 SJRA to assist in accomplishing large-scale projects and efforts that would not be possible for the SJRA to complete on its own.

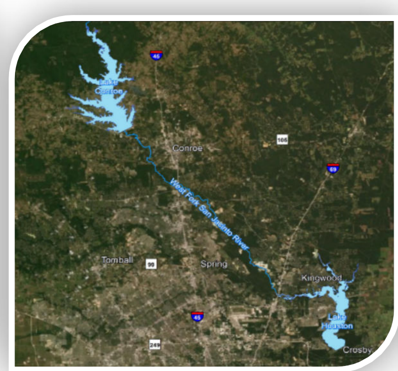
Major Initiatives

In FY2027, the Flood Management Division will continue coordinating and partnering with other agencies that provide flood-related services, identifying flood mitigation projects, and pursuing grant and other funding sources for prioritized initiatives. Any newly identified projects will be incorporated into the Division's next 10-Year Project Plan.

The Division will also continue supporting the State Flood Planning process through active participation in the San Jacinto Regional Flood Planning Group.

Capital Improvement and Project Plans

The Flood Management Division currently maintains minimal physical assets in the form of three flood early warning system gage sites in San Jacinto County. O&M costs related to these sites are funded by San Jacinto County, per an interlocal agreement. For FY2027, the Division plans to utilize grant funding and 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 and the San Jacinto Regional Flood Plan. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.



Total Indebtedness and Annual Debt Service

As of FY2026, the Flood Management Division has no outstanding debt obligations and does not anticipate incurring any debt during FY2027.

Staffing Plans

The Flood Management Division's staffing plan for FY2027 includes two direct FTE positions, with no part-time, temporary, or intern positions. Of these direct positions, 1.08 FTEs are allocated to Raw Water Supply and 0.04 FTEs are allocated to the Bear Branch and Highlands Divisions, in addition to time dedicated directly to Flood Management activities. The Division also receives an allocation of 2.63 FTEs from G&A departments and 0.09 FTEs from the Lake Conroe Division for FY2027. In total, the net staffing level associated with the Flood Management Division, including direct and allocated positions, is 3.61 FTEs.

Revenues

The Flood Management Division does not generate operating revenue, except for $15,000 budgeted in partner reimbursements from San Jacinto County for costs associated with maintaining flood early warning system gate sites. The Raw Water Enterprise funds Division expenses that are not otherwise offset by regional partners or grant funding. The Division is responsible for identifying, studying, and implementing regional flood mitigation solutions and building regional partnerships, including pursuing state and federal grants and other funding sources for eligible projects.

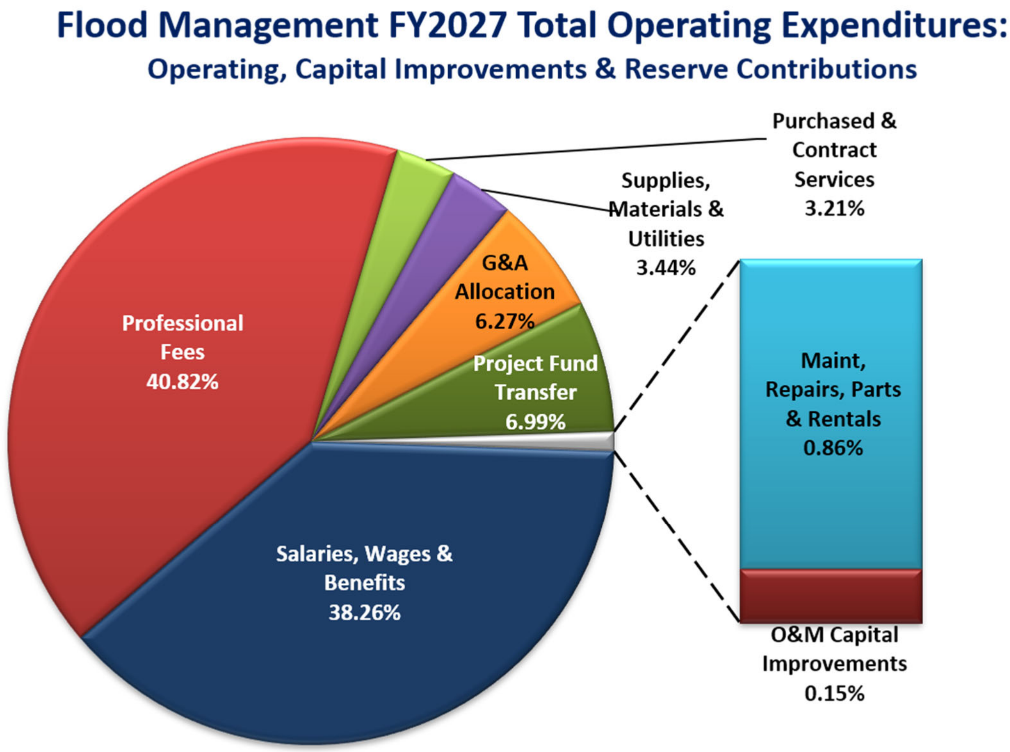
For FY2027, the Flood Management budget includes the use of $637,250 in grant funding and $689,083 in partner contributions/in-kind services/other, to fund projects included in the Division's 10-Year Project Plan.

Expenditures

In FY2027, the Flood Management Division includes routine and customary expenditures associated with the ongoing coordination and facilitation of regional flood management activities. These 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)
- Project Fund Contributions

Total expenditures for the Flood Management Division are budgeted at $1,744,125 for FY2027.



Fund Balance and Reserves

SJRA's General Fund Balance supports the Flood Management Division, as well as the Raw Water Supply, Highlands Division, Lake Conroe Division, and other unallocated portions of the G&A Division. The Flood Management Division does not maintain separate reserves.

For FY2027, the net difference between O&M revenues and expenditures for the Flood Management Division is net expenses of $1,146,125. This amount will be covered by Raw Water Supply revenues.

Project Fund

As approved by the Board of Directors on July 24, 2025, this budget includes the creation of a Project Fund for the Flood Management Division.

The Project Fund is established to support large, ongoing, and planned projects in order to mitigate significant rate fluctuations. It is funded annually through a predetermined transfer of available O&M funds remaining after the Operating & Rate Stabilization Reserve and Emergency Reserve requirements are satisfied for the Lake Conroe, Highlands, and G&A Divisions. For FY2027, a contribution of $121,975 is budgeted for the Project Fund.

San Jacinto River Authority - Flood Management Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Partner Reimbursement	$ -	$ -	$ -	$ -	$ 15,000	$ 15,000
Other Operating Revenue	-	-	15,286	-	-	-
Capital Contributions(4)	-	-	-	-	145,750	145,750
TOTAL OPERATING REVENUES	**$ -**	**$ -**	**$ 15,286**	**$ -**	**$ 160,750**	**$ 160,750**
OTHER REVENUES						
Interest Income	$ 872	$ 36	$ 318	$ 523	$ -	$ -
Miscellaneous Revenue	146	122	114	-	-	-
Grant Revenue(4)	-	-	-	-	437,250	437,250
TOTAL OTHER REVENUES	**$ 1,017**	**$ 158**	**$ 432**	**$ 523**	**$ 437,250**	**$ 437,250**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 339,690	$ 385,859	$ 458,545	$ 265,466	$ 500,298	$ 484,223
Compensated Absences	8,535	24,144	2,571	-	-	-
Group Insurance	57,597	68,462	75,754	42,213	76,172	90,121
Group Retirement Expense	28,900	54,295	50,414	28,605	56,636	54,906
Workers Compensation Insurance	1,830	3,571	4,730	963	2,833	1,698
Social Security Taxes	20,818	27,855	32,366	17,754	38,273	34,927
Employee Benefits Services	1,842	1,632	1,437	662	1,335	1,353
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 459,213**	**$ 565,818**	**$ 625,817**	**$ 355,665**	**$ 675,548**	**$ 667,229**
PROFESSIONAL FEES						
Legal Fees	$ 146	$ 4,729	$ 1,349	$ -	$ 15,000	$ 15,000
Engineering(4)	9,426	45,245	12,918	938	683,000	691,000
Graphic Design	2,500	2,875	3,450	1,610	6,000	6,000
TOTAL PROFESSIONAL FEES	**$ 12,071**	**$ 52,849**	**$ 17,717**	**$ 2,548**	**$ 704,000**	**$ 712,000**
PURCHASED & CONTRACTED SERVICES						
Employee Testing- New	$ -	$ -	$ -	$ -	$ 27	$ -
Public Relations Expense	-	98	-	-	-	-
Water Conservation & Public Education	9,223	6,402	1,091	2,110	55,694	55,694
Website Hosting & Maintenance	-	63	-	148	354	359
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 9,223**	**$ 6,564**	**$ 1,091**	**$ 2,258**	**$ 56,075**	**$ 56,053**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 44	$ -	$ 13	$ -	$ 150	$ 150
Other Office Expense	-	-	13	-	-	-
Travel	957	644	1,480	14	1,500	2,000
Automobile & Truck Expense	-	27	35	3	500	300
Postage	132	-	10	270	500	500
Property Insurance	-	172	(84)	102	115	100
Liability Insurance	865	858	1,112	763	1,743	1,223
Training	1,713	1,290	1,389	790	1,500	1,500
Training-Employee HR	102	28	7	-	567	574
Managers Expense	1,074	879	967	-	1,000	1,000
Employee Relations	-	-	31	594	1,517	1,538
Fuel	-	-	30	-	50	50
Uniform Services	-	-	73	-	200	200
Memberships & Professional Dues	164	150	1,180	50	130	50
Bank Service Charges	2,250	2,250	2,250	2,250	3,000	2,250
Personal Protective Equipment	140	-	-	-	250	50
Health & Wellness Program	-	103	62	10	162	164
Recruiting Expenses	-	60	279	-	1,214	718
Computer Hardware	368	4,554	684	315	6,445	6,494
Physical Security	-	-	-	-	711	721
Software & Support	13,857	16,232	12,334	8,496	36,044	31,161
Software Maintenance	-	-	-	1,016	-	-
Network Communications	971	1,002	790	571	1,732	1,709
Newspaper Ads	1,254	1,390	1,136	-	3,600	3,900
Wireless Devices & Services	-	-	-	-	3,300	3,300
Phone System-Install, Maintenance, & Changes	-	18	32	-	300	300
Landline Telephone Services	1,121	1,608	934	957	15	-
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 25,011**	**$ 31,265**	**$ 24,757**	**$ 16,200**	**$ 66,244**	**$ 59,950**

San Jacinto River Authority - Flood Management Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ -	$ -	$ 13,255	$ 2,141	$ 15,000	$ 15,000
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ -**	**$ -**	**$ 13,255**	**$ 2,141**	**$ 15,000**	**$ 15,000**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 44,859	$ 61,337	$ 64,605	$ 39,858	$ 119,001	$ 109,316
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 44,859**	**$ 61,337**	**$ 64,605**	**$ 39,858**	**$ 119,001**	**$ 109,316**
TOTAL OPERATING EXPENSES	**$ 550,378**	**$ 717,832**	**$ 747,242**	**$ 418,671**	**$ 1,635,867**	**$ 1,619,547**
TOTAL EXPENSES	**$ 550,378**	**$ 717,832**	**$ 747,242**	**$ 418,671**	**$ 1,635,867**	**$ 1,619,547**
NET REVENUES OVER EXPENSES	**$ (549,361)**	**$ (717,675)**	**$ (731,524)**	**$ (418,147)**	**$ (1,037,867)**	**$ (1,021,547)**
CAPITAL IMPROVEMENTS(1)						
Computer Equipment					$ 3,440	$ 2,604
TOTAL CAPITAL IMPROVEMENTS					**$ 3,440**	**$ 2,604**
OTHER SOURCES (USES)(1)						
Repair and Replacement Transfers					$ (195,000)	$ (121,975)
Transfers					-	-
TOTAL OTHER SOURCES (USES)					**$ (195,000)**	**$ (121,975)**
NET CASH BASIS SOURCES (USES)	**$ (549,361)**	**$ (717,675)**	**$ (731,524)**	**$ (418,147)**	**$ (1,236,307)**	**$ (1,146,125)**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
FWCFM(3) - Waller County Flood Mapping Updates	Planned	$ 3,500,000	$ -	$ 3,500,000	$ 583,000
TOTAL PROJECT LIST		**$ 3,500,000**	**$ -**	**$ 3,500,000**	**$ 583,000**

(1)Actuals intentionally left blank.
(2)Multi-funded project- amounts shown are only for the funding souce of the report.
(3)Unawarded Grant Funds
(4)Includes Estimated FY2027 Project Spend.

San Jacinto River Authority - Flood Management Project Fund
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ -	$ -	$ -	$ 137	$ -	$ -
TOTAL OTHER REVENUES	**$ -**	**$ -**	**$ -**	**$ 137**	**$ -**	**$ -**
PROJECTS(1)						
Estimated FY2027 Projects Spend					$ 195,000	$ 171,667
TOTAL PROJECTS					**$ 195,000**	**$ 171,667**
OTHER SOURCES (USES)(1)						
Cash Sources (Uses)					$ -	$ 49,692
Operating Fund Transfers					195,000	$ 121,975
TOTAL OTHER SOURCES (USES)					**$ 195,000**	**$ 171,667**
NET CASH BASIS SOURCES (USES)	**$ -**	**$ -**	**$ -**	**$ 137**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
FSJSR(2) - SJ River and Tributaries Sediment Removal and Sant Tra|	In Progress	$ 564,074	$ 72,527	$ 636,601	$ 171,667
TOTAL PROJECT LIST		**$ 564,074**	**$ 72,527**	**$ 636,601**	**$ 171,667**

(1)Actuals intentionally left blank.
(2)Multi-funded project- amounts shown are only for the funding souce of the report.

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San Jacinto River Authority - Flood Management Grants and Partner Contributions
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capital Contributions	$ 154,492	$ 160,010	$ 205,878	$ 320,000	$ 642,500	$ 543,333
TOTAL OPERATING REVENUES	**$ 154,492**	**$ 160,010**	**$ 205,878**	**$ 320,000**	**$ 642,500**	**$ 543,333**
OTHER REVENUES						
Interest Income	$ -	$ 27,709	$ (27,709)	$ 25,205	$ -	$ -
Grant Revenue	169,647	165,459	205,878	3,738	342,500	200,000
TOTAL OTHER REVENUES	**$ 169,647**	**$ 193,168**	**$ 178,170**	**$ 28,943**	**$ 342,500**	**$ 200,000**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 985,000	$ 743,333
TOTAL PROJECTS					**$ 985,000**	**$ 743,333**
NET CASH BASIS SOURCES (USES)	**$ 324,139**	**$ 353,177**	**$ 384,048**	**$ 348,943**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
FSCDS - Spring Creek Watershed Flood Control Dams Conceptual E	In Progress	$ 1,000,000	$ -	$ 1,000,000	$ -
FURSS - Upper San Jacinto River Basin Regional Sedimentation Stu	In Progress	750,000	-	750,000	240,000
FLHJO - Lake Conroe - Lake Houston Joint Reservoir Operations Stu	In Progress	1,000,000	-	1,000,000	160,000
FSJSR[2] - SJ River and Tributaries Sediment Removal and Sand Tra	In Progress	2,368,074	4,131,334	6,499,408	343,333
TOTAL PROJECT LIST		**$ 5,118,074**	**$ 4,131,334**	**$ 9,249,408**	**$ 743,333**

[1]Actuals intentionally left blank.
[2]Multi-funded project- amounts shown are only for the funding souce of the report.

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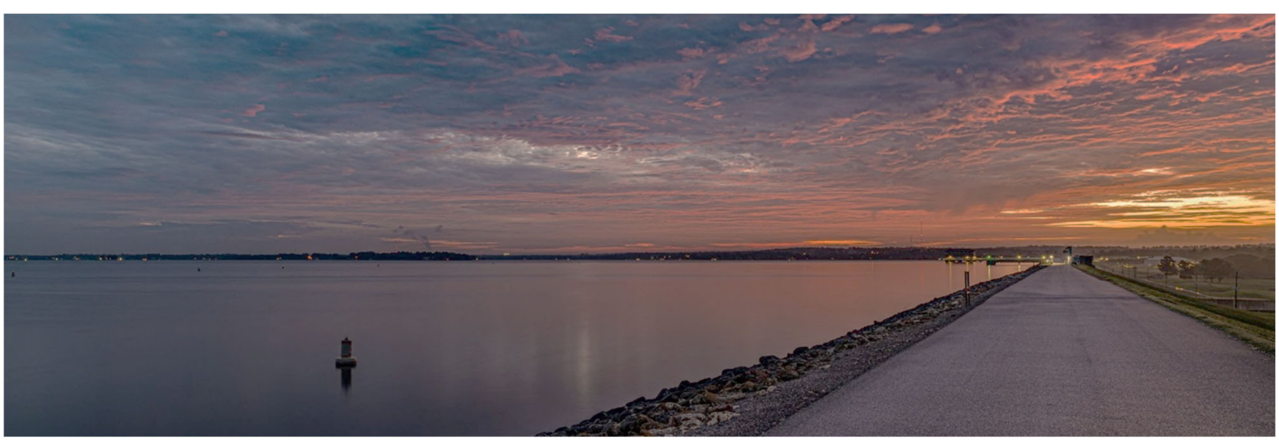
General and Administrative Division

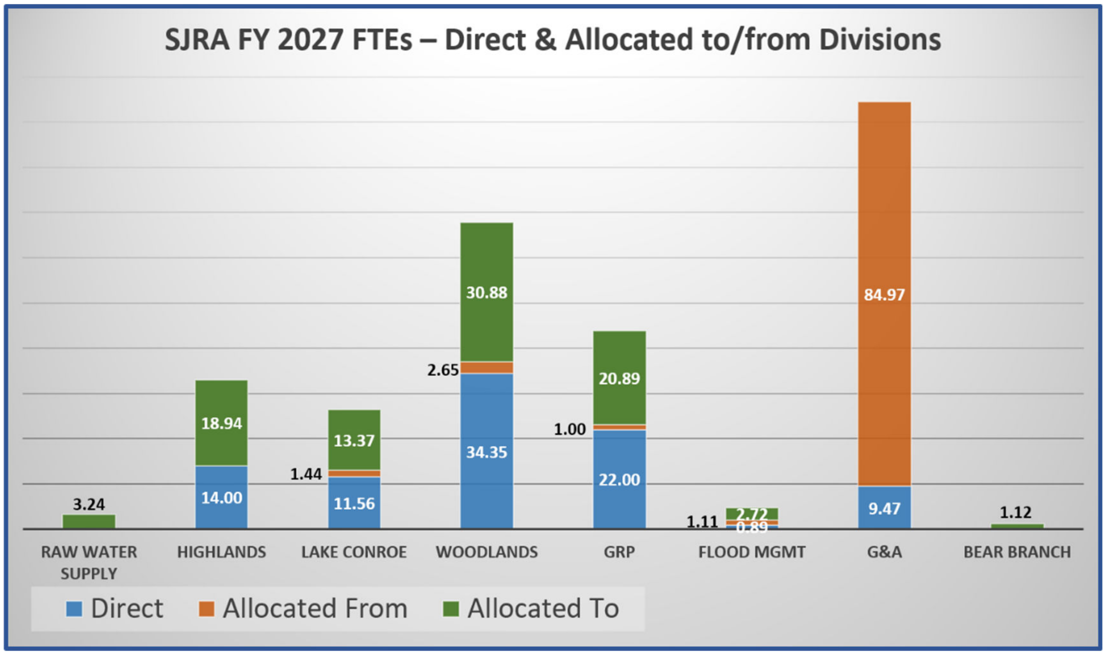
The general and administrative functions of SJRA are organized into departments within the G&A Division. It is comprised of the Senior Management Team and the following departments:

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 primarily customer-service oriented, supporting SJRA's operating divisions as internal clients. These departments provide administrative and technical support on a daily, monthly, and periodic basis. G&A staff are highly trained in administrative, technical, and professional disciplines, and regularly cross-train within and across departments to ensure consistent, resilient service delivery and a collaborative organizational approach.

The Senior Management Team and the G&A Departments allocate FTE positions to the operating divisions using methodologies aligned with departmental activities and existing customer contracts. Based on historical data and projected estimates for the upcoming year, the Administrative Services, Public Communications, and Risk Management Departments allocate staff time by estimating, where appropriate, each employee's anticipated time dedicated to individual operating divisions. The Accounting, Information Technology (IT), and Purchasing Departments utilize a hybrid allocation approach that combines estimated time allocations with specific dedicated FTE assignments to certain operating divisions. The Human Resources Department and portions of the IT Department allocate FTEs proportionally based on the share of operating divisions' direct and allocated staffing relative to SJRA's total workforce of 183.43 employees. The SCADA/I&C and Technical Services Departments primarily support operating divisions through system maintenance and project-specific assistance. As such, a significant portion of their FTE allocations are based on task-specific work or planned FY2027 projects.





Major Initiatives

During FY2026 and planned through FY2027, the G&A Departments have undertaken several major initiatives to improve the operations related to the operating Divisions.

Accounting

During FY2026 and upcoming in FY2027, following the implementation of D365 Enterprise Resource Planning (ERP) system, the Accounting Department will continue to refine processes and build its knowledge of the system including the creation of robust Power BI reports to provide data in real time to internal customers.

Administrative Services

During Fiscal Year 2026, the Administrative Services Department initiated the implementation of a modernized document management system designed to centralize content, enhance security and compliance, and ensure long-term accessibility and preservation of the organization's records. The department also supported various aspects of the G&A Division capital improvement projects, assisted with the implementation of legislation resulting from the 89th Legislative Session, and contributed to the development of various Board of Director policies.

Human Resources

The Human Resources Department will continue enhancing and optimizing HR programs, policies, processes, and systems in FY2027. With the successful implementation of the new Human Resource Information System (HRIS) and Payroll System completed in FY2026, the Department will focus on expanding system functionality, improving workflows, and increasing employee and manager engagement with the platform. Key areas of focus include enhancing performance management, recruiting/onboarding, benefits administration, training management, and employee self-service content.

Information Technology

The IT Department collaborates with the operating Divisions on SJRA-wide computer systems, network infrastructure, telecommunications, audio/visual and physical security systems. Initiatives include software project management, enhanced cybersecurity, business continuity planning, data integrity and disaster recovery, upgrade and maintenance of critical infrastructure. ,

Public Communications

The Public Communications Department is responsible for developing and implementing strategic communication initiatives that proactively inform and engage a broad range of audiences regarding SJRA's mission, services, programs, projects, and priorities. Key audiences include residents throughout the San Jacinto River Basin, customers, local and state elected officials, community stakeholders, civic organizations, media outlets, and the general public.

The Department utilizes a comprehensive mix of communication tools and platforms, including the SJRA website, social media channels, email communications, press releases, newsletters, graphic design, video and photography, blog content, print and mail materials, presentations, public outreach campaigns, and interactive web-based resources.

Purchasing

During FY 2026 and into FY 2027, the Procurement Department continued improving efficiency, strengthening compliance, and supporting the mission of the Authority.

Key Accomplishments included revision of the Procurement Policy to align with government entities across the state, updates to the Procedure Manual to provide clearer guidance on procurement processes, and improvements to the professional service solicitation process.

Risk Management

Risk Management supports SJRA's mission through the coordination of insurance, workers' compensation, operational risk management, emergency preparedness, safety support, and loss prevention activities.

SCADA/Instrumentation and Controls (I&C)

The Supervisory Control and Data Acquisition/Instrumentation and Controls (SCADA/I&C) Department is a control system architecture of hardware and software comprising computers, networked data communications and graphical user interfaces for critical infrastructure environments to monitor real-time data including cybersecurity, operations, and remote systems monitoring water treatment centers, pump stations, and distribution pipelines.

Technical Services

The Technical Services Department (TSD) supports each of the operating Divisions with planning, asset management, professional project management for both maintenance and capital projects, construction management and inspection, GIS, technical support, and emergency assistance. It is composed of professional engineers, planners, and construction management.

Capital Improvement and Project Plans

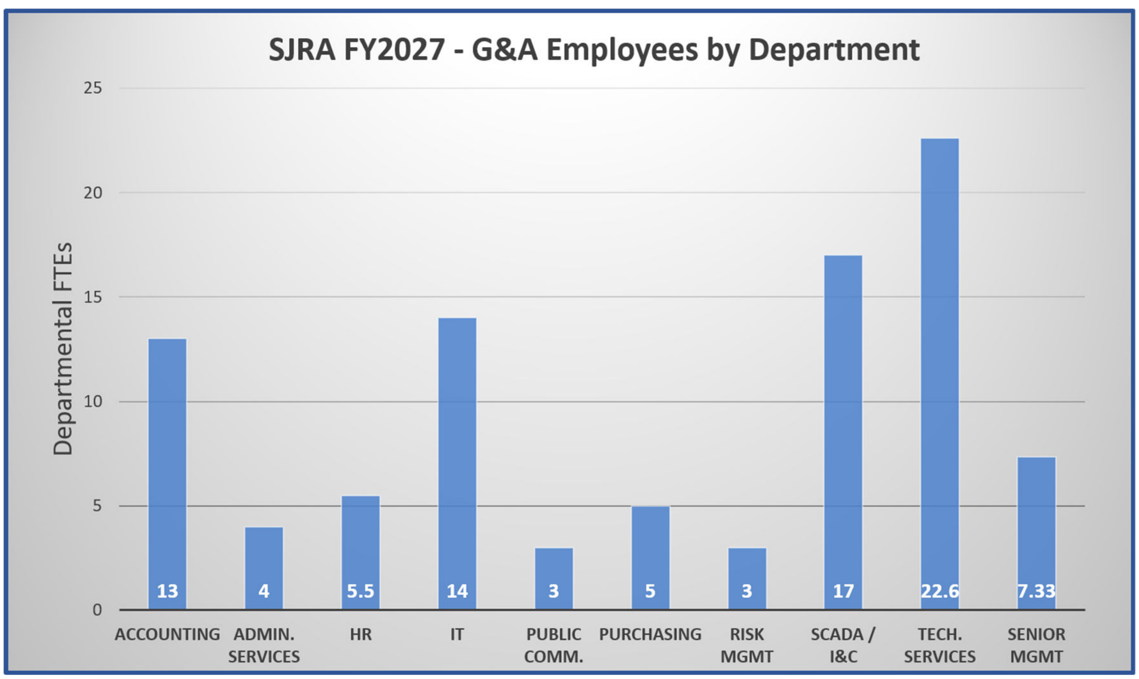
Each year, the G&A Division conducts risk assessments and evaluations of its infrastructure assets. The Division assesses the likelihood and consequences of asset failure and prioritizes projects based on factors that support reliable, efficient, and cost-effective service delivery. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

As of FY2026, the G&A Division has no outstanding debt obligations and does not anticipate incurring any debt during FY2027.

Staffing Plans

The G&A Division's FY2027 staffing plan includes 94.43 direct FTE positions. This total includes 0.60 FTE budgeted for two intern positions. No part-time or temporary positions are budgeted for FY2027. Of the 94.43 direct G&A Division FTEs, 85.34 FTEs are allocated to the operating divisions based on established allocation methodologies. The remaining 9.09 FTEs, representing approximately 10.7% of total G&A staffing, remain unallocated to the operating divisions and support organization-wide administrative functions.



Revenues

The G&A Division does not anticipate significant revenues in FY2027. No operating revenues are budgeted, while non-operating revenues are projected at $178,915, consisting primarily of interest income, credit card fees, and office rental income.

Expenditures

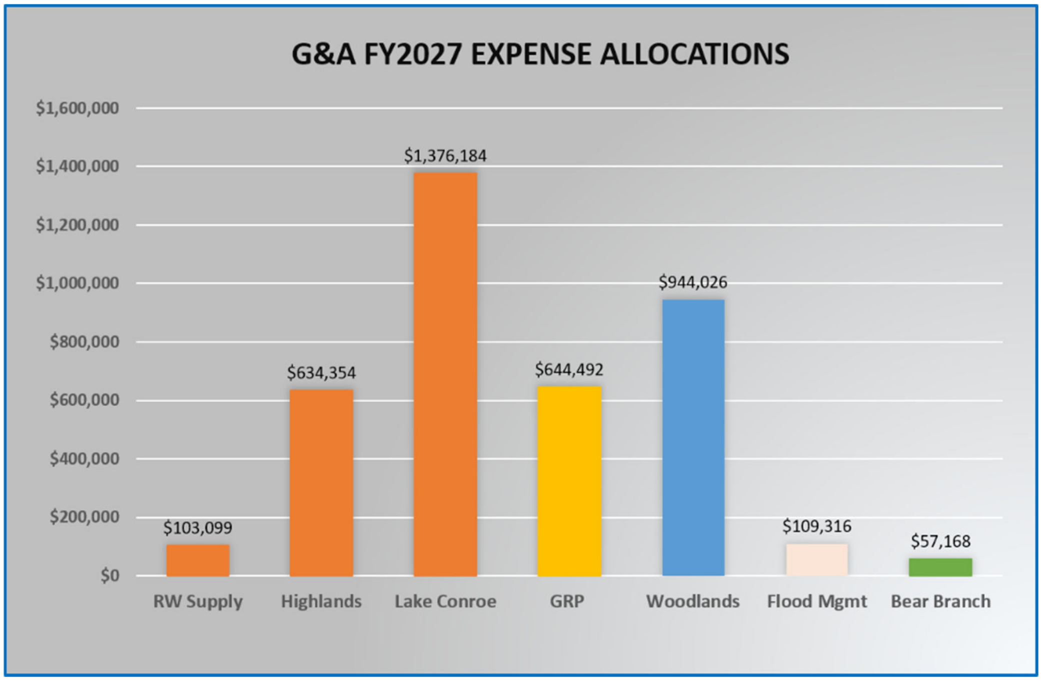
The G&A Division FY2027 budget includes the routine and customary expenditures necessary to provide ongoing administrative and technical support to the SJRA's operating divisions. These expenditures include:

- Salaries, Wages, and Benefits
- Professional Fees
- Purchased and Contracted Services
- Supplies, Materials, and Utilities
- Maintenance, Repairs, Parts, and Rentals
- 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 in accordance with the terms of applicable contracts (the Woodlands and Lake Conroe Divisions) or through an allocation methodology based on each division's proportionate share of SJRA's total expenses (Raw Water Supply, Highlands, GRP, Flood Management, and Bear Branch).

For FY2027, G&A expense allocations to the operating divisions, Flood Management, and Bear Branch total $3,868,639. After these allocations, total FY2027 G&A expenditures, including operating costs, capital improvements, and other cash uses, are budgeted at $281,627.

The G&A Division's FY2027 R&R Fund includes budgeted project expenditures totaling $1,453,660.



Fund Balance and Reserves

SJRA's General Fund Balance supports the Raw Water Enterprise, which includes the Raw Water Supply, Highlands, and Lake Conroe Divisions, as well as the General and Administrative (G&A) Division and the Flood Management Division.

As approved by the Board of Directors on July 24, 2025, the G&A Division's reserve policy includes two reserve funds and a R&R Fund:

1. **Operating & Rate Stabilization Reserve**

   The G&A Operating and Rate Stabilization Reserve (Operating Reserve) was established to provide cash flow management and promote rate and revenue stability. The target balance is set at an amount equal to six months of operating expenditures. As of FY2026, the G&A Operating Reserve has achieved its funding target, with a balance of $1,933,633, equivalent to six months of operating expenditures. For FY2027, the Operating Reserve is projected to fall below the target balance, therefore a contribution of $38,887 is budgeted to restore the reserve to its six-month funding target.

2. **Emergency Reserve**

   The Division's Emergency Reserve was established to provide a full or partial funding source for the unplanned or emergency repair or replacement of SJRA capital assets, excluding those of the Woodlands and GRP Divisions. The Emergency Reserve target for the General Fund is $11.0 million, based on estimated funding needs of $5.0 million for the Lake Conroe Division, $5.0 million for the Highlands Division, and $1.0 million for the G&A Division. Contributions are planned over a five-year period to achieve these target balances. No contribution to the Emergency Reserve is budgeted for FY2027.

3. **Repair & Replacement (R&R Fund)**

The G&A's R&R 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 and Rate Stabilization Reserve and Emergency Reserve requirements are met. There is no contribution budgeted to the R&R Fund in FY2027.

For FY2027, the net difference between O&M revenues and expenditures for the G&A Division, including scheduled contributions to both reserves and the R&R Fund, is budgeted as a net expense of $72,712. This amount will be combined with the net results of the Raw Water Supply Division to offset the net cash requirements of the Raw Water Enterprise and the Flood Management Division.

San Jacinto River Authority - General and Administration Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Other Operating Revenue	$ -	$ 70	$ 35	$ 70	$ -	$ -
TOTAL OPERATING REVENUES	**$ -**	**$ 70**	**$ 35**	**$ 70**	**$ -**	**$ -**
OTHER REVENUES						
Interest Income	$ 152,153	$ 374,835	$ 371,939	$ 294,365	$ 100,000	$ 150,000
Land Use Agreements	-	12	-	-	-	-
Office Rental Revenue	25,206	25,206	25,207	14,705	25,206	23,915
Miscellaneous Revenue	10,656	10,878	6,394	-	-	-
FEMA Grant Revenue	-	13,235	4,948	1,710	-	-
Other Gains & Losses	-	29,000	19,375	1,800	-	-
Credit Card Fees-Collected	-	1,159	4,003	2,742	5,000	5,000
TOTAL OTHER REVENUES	**$ 188,014**	**$ 454,326**	**$ 431,867**	**$ 315,321**	**$ 130,206**	**$ 178,915**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 772,229	$ 1,409,372	$ 1,042,946	$ 548,743	$ 957,223	$ 973,261
Compensated Absences	36,199	699,169	11,473	-	-	-
Group Insurance	126,305	231,184	174,331	103,639	-	207,493
Group Insurance - Retirees	(13,217)	(58,871)	(2,910)	-	50,000	50,000
Group Insurance - Retiree OPEB	6,277	6,577	6,925	4,236	7,741	7,938
Group Retirement Expense	(168,870)	198,383	(351,241)	49,037	284,802	110,299
Workers Compensation Insurance	2,489	12,292	7,289	1,301	3,880	2,147
Social Security Taxes	57,309	104,138	79,100	40,526	73,228	72,163
Tuition Reimbursement	5,436	6,897	10,318	9,494	30,000	30,000
Employee Benefits Services	5,626	3,644	3,399	1,663	3,499	3,293
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 829,782**	**$ 2,612,785**	**$ 981,629**	**$ 758,640**	**$ 1,410,373**	**$ 1,456,596**
PROFESSIONAL FEES						
Legal Fees	$ 157,387	$ 158,778	$ 129,458	$ 46,246	$ 80,000	$ 65,000
Lobbyist	141,152	76,636	123,450	72,995	110,000	120,000
Annual Financial Audit	35	-	77	-	-	-
Management Audit	63,237	-	-	-	-	-
Engineering	94,655	39,984	12,537	33,334	50,000	179,000
Inspections	-	2,282	2,230	-	3,170	3,000
Other Professional Services	-	-	-	-	75,000	75,000
Staffing Services	4,534	12,244	29,407	1,022	-	-
Safety Inspections & Testing	330	1,388	680	269	1,500	1,000
Public Relations Consultant	-	55,000	36,095	-	150,000	150,000
Graphic Design	2,500	287	-	906	3,000	3,000
TOTAL PROFESSIONAL FEES	**$ 463,830**	**$ 346,599**	**$ 333,934**	**$ 154,771**	**$ 472,670**	**$ 596,000**
PURCHASED & CONTRACTED SERVICES						
Waste Disposal Services	$ 8,188	$ 8,639	$ 9,489	$ 4,215	$ 11,000	$ 11,000
Meter Calibration Services	11,755	16,337	16,989	11,835	19,200	22,200
Employee Testing- New	1,472	3,485	1,838	280	2,010	2,000
Janitorial Services	23,551	23,931	23,551	13,738	24,000	30,000
Public Relations Expense	-	2,715	3,250	-	-	-
Water Conservation & Public Education	95,878	71,089	36,144	9,369	29,504	29,504
Website Hosting & Maintenance	8,867	5,129	10,408	3,966	928	873
Directors Fees & Expenses	22,405	23,650	37,128	19,227	60,333	60,333
Meeting Expenses	3,576	3,339	2,189	2,991	6,000	6,000
Directors' Travel Expenses	7,920	4,562	6,155	2,994	-	7,000
Document Retention/Destruction	3,269	128	58	-	2,000	1,000
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 186,880**	**$ 163,003**	**$ 147,200**	**$ 68,616**	**$ 154,975**	**$ 169,910**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 34,013	$ 34,250	$ 25,824	$ 13,661	$ 31,000	$ 30,400
Other Office Expense	50	357	71	-	-	-
Travel	61,284	68,082	90,106	17,831	147,100	127,100
Office Furnishings	-	3,365	3,250	259	-	-
Automobile & Truck Expense	66,706	54,145	46,711	22,389	67,700	59,350
Storm Preparedness & Response	359	405	-	-	1,200	400
Postage	8,903	3,668	4,192	2,359	4,500	4,000
Property Insurance	20,272	22,840	28,135	18,964	35,032	30,948
Auto Insurance	27,554	33,046	36,535	21,925	7,370	40,188
Liability Insurance	1,720	2,580	8,885	5,851	9,745	9,006
Small Tools Purchases	-	146	519	239	-	400

San Jacinto River Authority - General and Administration Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
Training	88,565	93,772	113,277	47,453	180,850	141,850
Training-Employee HR	7,628	1,035	3,074	530	1,484	1,397
Safety Training	-	-	-	-	735	2,500
Managers Expense	70,966	72,554	35,187	8,470	80,700	72,450
Employee Relations	38,677	51,808	47,873	3,407	3,976	3,743
Fuel	14,585	30,156	34,690	10,076	61,600	53,550
Uniform Services	5,153	4,100	5,081	2,922	8,800	8,700
Supplies	1,207	721	1,100	14	2,500	900
Other Operating Expenses	-	-	195	-	-	-
Memberships & Professional Dues	51,032	33,553	45,916	8,961	76,805	70,105
Janitorial Supplies	5,118	7,488	6,569	3,888	9,000	9,000
Copier, Scanner & Fax	742	3,177	2,750	1,126	3,000	3,000
Utilities-Electric	53,562	49,216	62,866	28,785	55,000	70,000
Utilities-Natural Gas	614	1,259	1,027	628	1,000	2,000
Bank Service Charges	35	280	72	-	1,000	1,000
Credit Card Fees	-	59	708	412	5,000	2,000
Bank Account Analysis Fee	1,243	88	405	98	1,200	6,667
Personal Protective Equipment	8,635	6,125	6,160	3,105	10,550	9,800
Safety Equipment & Meetings	4,276	5,467	5,789	1,897	2,250	3,250
Health & Wellness Program	150	684	550	47	424	399
Recruiting Expenses	43,372	16,246	6,110	3,323	3,181	1,747
Computer Hardware	62,482	116,533	111,939	30,476	163,119	153,339
Physical Security	1,654	15,167	12,045	11,227	51,864	51,755
Software & Support	104,411	88,686	119,014	59,008	253,235	210,984
Software Maintenance	4,961	5,281	6,707	3,922	4,500	4,700
Network Communications	3,332	10,002	12,650	2,524	4,535	4,163
Publications & Subscriptions	34,326	27,359	10,986	4,513	17,650	15,050
Newspaper Ads	-	1,156	2,212	1,232	1,000	2,500
Wireless Devices & Services	73,969	82,040	75,630	39,282	165,025	169,150
Phone System-Install, Maintenance, & Changes	11,813	218	-	-	21,100	20,950
Emergency Operations Communications	4,552	4,206	5,300	3,121	4,800	2,400
Landline Telephone Services	5,185	6,224	6,941	4,255	18,638	18,600
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 923,107**	**$ 957,544**	**$ 987,050**	**$ 388,180**	**$ 1,518,168**	**$ 1,419,439**
RENTALS						
Equipment Rentals	$ -	$ -	$ 464	$ -	$ 3,000	$ -
Office Rent	5,400	5,400	25,202	16,730	28,680	30,396
Office Equipment Rentals	5,427	7,957	8,325	4,032	8,000	8,000
TOTAL RENTALS	**$ 10,827**	**$ 13,357**	**$ 33,991**	**$ 20,762**	**$ 39,680**	**$ 38,396**
MAINTENANCE, REPAIRS & PARTS						
Instrumentation	$ 3,708	$ 1,097	$ -	$ -	$ -	$ -
Office, Furniture, & Fixtures	9,912	1,467	1,056	1,681	9,500	8,500
Air Conditioner	-	4,190	-	-	-	-
Buildings	-	741	18	38	-	-
Buildings & Grounds	138,489	132,713	108,714	44,200	245,000	245,000
Machinery, Tools, & Implements	8,197	8,715	9,385	9,779	16,900	11,200
Networking and Communications - SCADA	-	893	-	-	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 160,306**	**$ 149,816**	**$ 119,173**	**$ 55,698**	**$ 271,400**	**$ 264,700**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ -	$ (47,040)	$ -	$ -	$ -	$ -
General & Administrative Expense Allocated to Lake	(826,970)	(814,805)	(1,312,821)	(539,638)	(1,259,399)	(1,376,184)
General & Administrative Expense Allocated to Bear	(31,319)	(31,962)	(33,807)	(20,628)	(52,671)	(57,168)
General & Administrative Expense Allocated to Highl	(432,734)	(329,226)	(302,609)	(194,816)	(567,431)	(634,354)
General & Administrative Expense Allocated to Raw	(46,267)	(60,117)	(52,063)	(33,355)	(92,554)	(103,099)
General & Administrative Expense Allocated to Wooc	(814,678)	(794,111)	(784,553)	(495,557)	(937,740)	(944,026)
General & Administrative Expense Allocated to GRP	(377,284)	(308,253)	(343,863)	(210,662)	(569,817)	(644,492)
General & Administrative Expense Allocated to Flooc	(44,859)	(61,337)	(64,605)	(39,858)	(119,001)	(109,316)
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ (2,574,112)**	**$ (2,446,852)**	**$ (2,894,321)**	**$ (1,534,514)**	**$ (3,598,613)**	**$ (3,868,639)**
TOTAL OPERATING EXPENSES	**$ 619**	**$ 1,796,254**	**$ (291,343)**	**$ (87,847)**	**$ 268,653**	**$ 76,402**
TOTAL EXPENSES	**$ 619**	**$ 1,796,254**	**$ (291,343)**	**$ (87,847)**	**$ 268,653**	**$ 76,402**
NET REVENUES OVER EXPENSES	**$ 187,396**	**$ (1,341,858)**	**$ 723,245**	**$ 403,239**	**$ (138,446)**	**$ 102,513**

San Jacinto River Authority - General and Administration Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
CAPITAL IMPROVEMENTS[1]						
Transportation Equipment					$ 206,000	$ 130,000
Computer Equipment					9,011	6,337
TOTAL CAPITAL IMPROVEMENTS					**$ 215,011**	**$ 136,337**
OTHER SOURCES (USES)[1]						
Operating Reserve					$ (24,242)	$ (38,887)
Emergency Reserve Transfers					(180,000)	-
Repair and Replacement Transfers					(803,000)	-
TOTAL OTHER SOURCES (USES)					**$ (1,007,242)**	**$ (38,887)**
NET CASH BASIS SOURCES (USES)	**$ 187,396**	**$ (1,341,858)**	**$ 723,245**	**$ 403,239**	**$ (1,360,700)**	**$ (72,712)**

[1]Actuals intentionally left blank.

San Jacinto River Authority - General and Administration Repair and Replacement
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 135,614	$ 54,270	$ 44,193	$ 50,682	$ 30,000	$ 15,000
TOTAL OTHER REVENUES	**$ 135,614**	**$ 54,270**	**$ 44,193**	**$ 50,682**	**$ 30,000**	**$ 15,000**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 803,840	$ 1,453,660
TOTAL PROJECTS					**$ 803,840**	**$ 1,453,660**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 1,988,906	$ 2,620,975
Operating Fund Transfers					803,000	-
TOTAL OTHER SOURCES (USES)					**$ 2,791,906**	**$ 2,620,975**
NET CASH BASIS SOURCES (USES)	**$ 135,614**	**$ 54,270**	**$ 44,193**	**$ 50,682**	**$ 2,018,066**	**$ 1,182,315**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
GHVR2 - G&A Building HVAC System Replacement Phase 2	Completed	$ 100,000	$ (43,164)	56,836	$ -
GADER - G&A Site Drainage Erosion Repair	In Progress	363,036	273,269	636,305	444,000
LCPAV[2] - Lake Conroe Campus Pavement & Access Improvements	In Progress	687,470	168,445	855,915	663,660
GABGR - G&A Building Backup Generator Improvements	In Progress	472,000	(244,020)	227,980	163,000
GABPI - G&A Building Back Patio Improvements	Planned	-	40,000	40,000	40,000
GAWSI - G&A Building Water Feature Structural Improvements	Planned	-	24,000	24,000	24,000
GHVR3 - G&A Building HVAC System Replacement Phase 3	Planned	-	1,444,000	1,444,000	119,000
TOTAL PROJECT LIST		**$ 1,622,506**	**$ 1,662,530**	**$ 3,285,036**	**$ 1,453,660**

[1]Actuals intentionally left blank.
[2]Multi-funded project- amounts shown are only for the funding souce of the report.

San Jacinto River Authority - General and Administration Repair and Replacement-IT
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 3,444	$ 94,741	$ 38,049	$ 15,726	$ -	$ -
Miscellaneous Revenue	-	127	118	-	-	-
TOTAL OTHER REVENUES	**$ 3,444**	**$ 94,868**	**$ 38,168**	**$ 15,726**	**$ -**	**$ -**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 150,000	$ -
TOTAL PROJECTS					**$ 150,000**	**$ -**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 565,987	$ -
TOTAL OTHER SOURCES (USES)					**$ 565,987**	**$ -**
NET CASH BASIS SOURCES (USES)	**$ 3,444**	**$ 94,868**	**$ 38,168**	**$ 15,726**	**$ 415,987**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
GAERP - Enterprise Resource Planning Software	In Progress	$ 3,000,000	$ -	$ 3,000,000	$ -
TOTAL PROJECT LIST		**$ 3,000,000**	**$ -**	**$ 3,000,000**	**$ -**

[1]Actuals intentionally left blank.

San Jacinto River Authority - General and Administration Repair and Replacement-SCADA
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 73	$ 5,847	$ 7,360	$ 5,413	$ -	$ -
TOTAL OTHER REVENUES	**$ 73**	**$ 5,847**	**$ 7,360**	**$ 5,413**	**$ -**	**$ -**
PROJECTS(1)						
Estimated FY2027 Projects Spend					$ 350,000	$ -
TOTAL PROJECTS					**$ 350,000**	**$ -**
OTHER SOURCES (USES)(1)						
Cash Sources (Uses)					$ 175,000	$ -
Operating Fund Transfers					175,000	46,000
TOTAL OTHER SOURCES (USES)					**$ 350,000**	**$ 46,000**
NET CASH BASIS SOURCES (USES)	**$ 73**	**$ 5,847**	**$ 7,360**	**$ 5,413**	**$ -**	**$ 46,000**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
SCADA Server Replacement	In Progress	$ 350,000	$ -	$ 350,000	$ -
TOTAL PROJECT LIST		**$ 350,000**	**$ -**	**$ 350,000**	**$ -**

(1)Actuals intentionally left blank.

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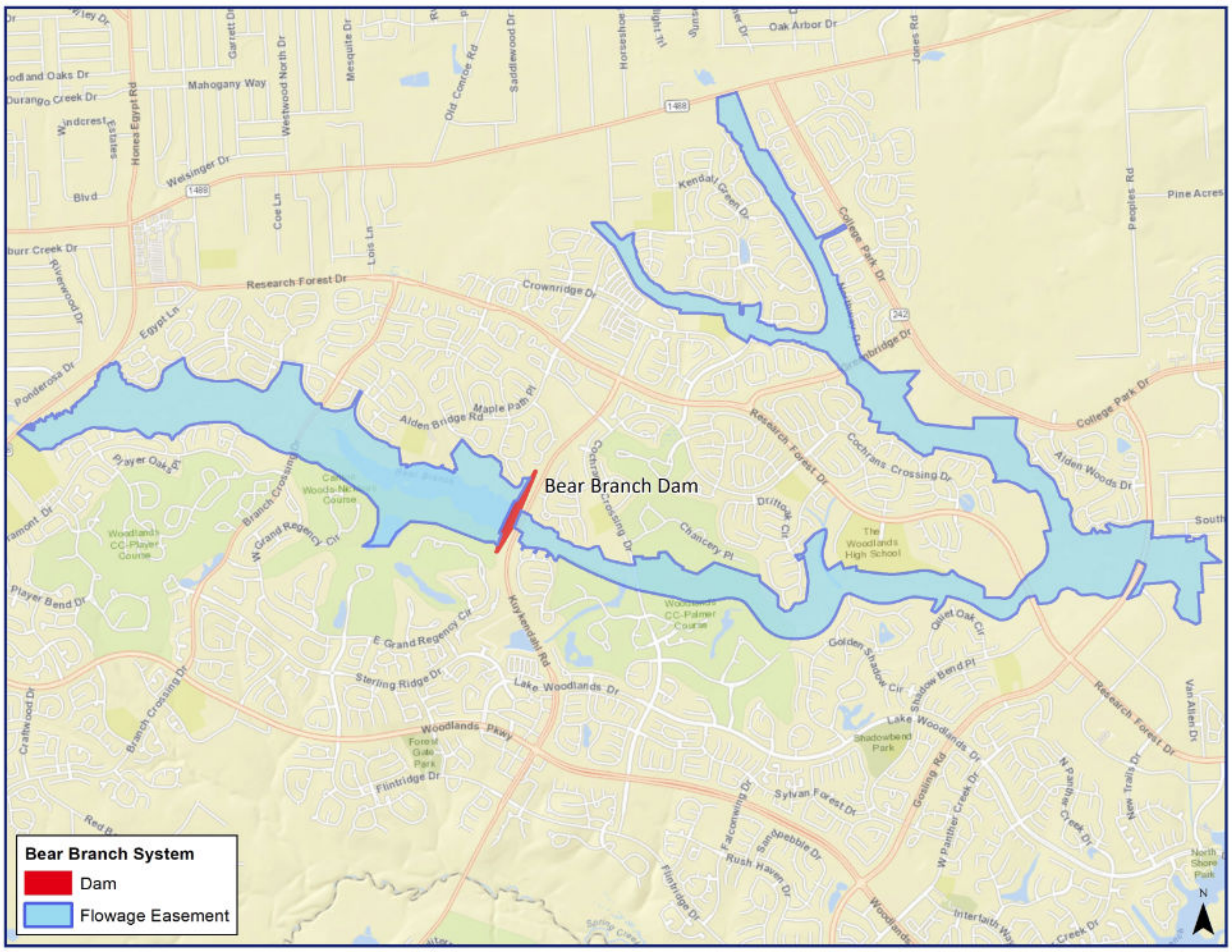
Bear Branch

SJRA contracted with five Woodlands MUDs to operate and maintain the Bear Branch Reservoir and drainage system (Bear Branch) for stormwater management purposes. The Lake Conroe Division provides the operation and maintenance services for Bear Branch.

The participating MUDs make annual contributions to cover budgeted O&M expenses and any capital improvement costs, based on a prorated allocation among the districts.

Map of Bear Branch Reservoir and Stormwater Drainage System



Major Initiatives

During FY2026 and continuing into FY2027, the Bear Branch Division has completed, initiated, or planned several major initiatives to improve operational performance and enhance service delivery within the Division.

1. **Maintenance**

   The Lake Conroe Division is responsible for maintaining the Bear Branch Reservoir System, which is part of the Upper Panther Branch Storm Water Management Plan. The system collects and conveys overland runoff from five Woodlands MUDs, with stormwater ultimately draining through the system. The system includes the Bear Branch Dam, reservoir, and approximately 10 miles of stormwater conveyance channels extending downstream of Kuykendahl Road (Bear Branch), FM 1488 (Panther Branch), and Alden Branch Drive (Alden Branch) to just upstream of Lake Woodlands. Constructed in 1983, the dam features an uncontrolled overflow spillway and has the capacity to impound more than 5,000 acre-feet of water. Division responsibilities include maintenance of the dam, spillway, reservoir, and associated conveyance channels. Routine maintenance activities include mowing, aquatic vegetation management, and coordination with adjacent private property owners to address maintenance related issues.

Capital Improvements and Project Plans

Each year, the Division evaluates its infrastructure and prioritizes projects based on multiple factors to ensure the safe and efficient operation of the dam and The Woodlands stormwater drainage system. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

As of FY2026, the Bear Branch Division has no outstanding debt obligations and does not anticipate incurring any debt during FY2027. However, beyond FY2026, the Division may need to consider issuing debt to fund necessary repairs at Bear Branch.

Staffing Plan

For FY2027, Bear Branch is allocated 0.38 FTEs from the Lake Conroe Division, 0.02 FTEs from the Flood Management Division, and 0.72 FTEs from G&A Departments, for a total of 1.12 FTEs.

Revenues

For FY2027, Bear Branch revenues consist of $567,618 in combined contributions from the five participating MUDs and $15,000 in interest income, for total operating revenues of $582,618. In addition, Bear Branch plans to utilize $46,226 of remaining cash balances carried forward from FY2026. The Bear Branch R&R Fund also anticipates $858,000 in grant revenue related to the ongoing dam replacement project.

Expenditures

Expenditures for FY2027 for Bear Branch include the routine and customary costs associated with the ongoing operation and maintenance of the Bear Branch Reservoir and drainage system. These 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
- Reserve Contributions (when budgeted)
- R&R Fund Contributions

Total operating expenditures for the Bear Branch System are budgeted at $628,844 for FY2027. In addition, the Bear Branch R&R Fund includes estimated project expenditures of $858,000 for FY2027.

Fund Balance and Reserves

The five participating MUDs fully fund all Bear Branch Division operations and maintenance activities.

1. **Operating Reserve**

   The Operating Reserve was established to support cash flow management. The target balance for the Bear Branch Division is set at an amount equal to two months of operating expenditures. In FY2023, the Bear Branch budget included a $90,000 contribution to establish the Operating Reserve. No additional transfers are budgeted for FY2027.

2. **Repair & Replacement (R&R Fund)**

   The Bear Branch R&R Fund was established to fund large ongoing and planned projects in order to mitigate significant rate fluctuations. The fund is supported through annual transfers of available O&M funds after the Operating Reserve requirements have been satisfied. For FY2027, a contribution of $1,500,000 is budgeted for the R&R Fund.

For FY2027, the net difference between operating revenues and expenditures for Bear Branch is budgeted at $0.

San Jacinto River Authority - Bear Branch Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capital Contributions	$ 703,558	$ 901,963	$ 825,890	$ 760,728	$ 260,728	$ 567,618
TOTAL OPERATING REVENUES	**$ 703,558**	**$ 901,963**	**$ 825,890**	**$ 760,728**	**$ 260,728**	**$ 567,618**
OTHER REVENUES						
Interest Income	$ 26,043	$ 61,242	$ 28,560	$ 20,260	$ 7,800	$ 15,000
Miscellaneous Revenue	60	57	53	-	-	-
TOTAL OTHER REVENUES	**$ 26,103**	**$ 61,299**	**$ 28,613**	**$ 20,260**	**$ 7,800**	**$ 15,000**
OPERATING EXPENSES						
SALARIES, WAGES, & EMPLOYEE BENEFITS						
Salaries & Wages	$ 106,195	$ 131,018	$ 137,893	$ 86,217	$ 142,084	$ 141,420
Group Insurance	20,611	28,332	26,161	16,939	24,202	29,767
Group Retirement Expense	12,396	19,571	16,877	9,747	16,446	16,237
Workers Compensation Insurance	1,348	1,641	2,057	593	1,469	878
Social Security Taxes	7,534	9,201	9,714	5,841	10,869	10,257
Employee Benefits Services	469	277	-	-	-	-
TOTAL SALARIES, WAGES, & EMPLOYEE BENEI	**$ 148,553**	**$ 190,040**	**$ 192,702**	**$ 119,337**	**$ 195,070**	**$ 198,560**
PROFESSIONAL FEES						
Legal Fees	$ 4,753	$ 507	$ 508	$ -	$ 5,000	$ 5,000
Engineering(2)	-	3,985	27,973	16,841	49,000	60,000
TOTAL PROFESSIONAL FEES	**$ 4,753**	**$ 4,492**	**$ 28,481**	**$ 16,841**	**$ 54,000**	**$ 65,000**
PURCHASED & CONTRACTED SERVICES						
Stream Gauging & Water Quality-USGS	$ -	$ 20,808	$ 17,692	$ -	$ 23,700	$ 23,700
Public Official Liability	2,308	2,225	1,599	-	5,793	5,793
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 2,308**	**$ 23,033**	**$ 19,290**	**$ -**	**$ 29,493**	**$ 29,493**
SUPPLIES, MATERIALS & UTILITIES						
Office Supplies & Printing	$ 454	$ -	$ -	$ -	$ 250	$ 250
Postage	90	-	-	-	100	100
Liability Insurance	-	-	431	1,509	-	474
Training	-	570	-	-	-	-
Managers Expense	44	62	36	-	250	250
Fuel	-	103	-	112	800	800
Supplies	704	56	8	-	250	250
Signage	-	-	135	-	1,000	1,000
Newspaper Ads	-	-	-	-	3,000	3,000
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ 1,292**	**$ 791**	**$ 610**	**$ 1,621**	**$ 5,650**	**$ 6,124**
RENTALS						
Equipment Rentals	$ -	$ -	$ 310	$ -	$ 5,000	$ 5,000
TOTAL RENTALS	**$ -**	**$ -**	**$ 310**	**$ -**	**$ 5,000**	**$ 5,000**
MAINTENANCE, REPAIRS & PARTS						
Mowing	$ 82,342	$ 57,640	$ 78,340	$ 24,760	$ 100,000	$ 100,000
Channel Desilting & Desnagging	-	3,000	2,250	21,000	25,000	50,000
Dam Maintenance	-	-	256	2,291	-	10,000
Spillway	50,009	1,400	9	336	5,000	-
Clearing	20,336	56,920	7,100	2,860	50,000	50,000
Hazardous Debris Management	-	850	7,518	18,750	2,500	2,500
Invasive Species Management	-	-	-	-	20,000	20,000
Streets & Roads	-	-	-	-	20,000	20,000
Fencing	3,598	-	1,236	14	15,000	15,000
Security Repairs	-	-	48	108	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	**$ 156,285**	**$ 119,809**	**$ 96,758**	**$ 70,120**	**$ 237,500**	**$ 267,500**
GENERAL & ADMINISTRATIVE EXPENSES						
General & Administrative Expense Allocated	$ 31,319	$ 31,962	$ 33,807	$ 20,628	$ 52,671	$ 57,168
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	**$ 31,319**	**$ 31,962**	**$ 33,807**	**$ 20,628**	**$ 52,671**	**$ 57,168**
TOTAL OPERATING EXPENSES	**$ 344,511**	**$ 370,128**	**$ 371,960**	**$ 228,548**	**$ 579,385**	**$ 628,844**
TOTAL EXPENSES	**$ 344,511**	**$ 370,128**	**$ 371,960**	**$ 228,548**	**$ 579,385**	**$ 628,844**
NET REVENUES OVER EXPENSES	**$ 385,150**	**$ 593,134**	**$ 482,544**	**$ 552,440**	**$ (310,857)**	**$ (46,226)**

San Jacinto River Authority - Bear Branch Operating
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 310,857	$ 46,226
TOTAL OTHER SOURCES (USES)					**$ 310,857**	**$ 46,226**
NET CASH BASIS SOURCES (USES)	**$ 385,150**	**$ 593,134**	**$ 482,544**	**$ 552,440**	**$ -**	**$ (0)**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
BBDAM - Bear Branch Dam Inspection	Completed	$ 39,000	$ (22,647)	$ 16,353	$ -
BBVOS - Bear Branch Reservoir Volumetric Survey	Planned	-	50,000	50,000	50,000
TOTAL PROJECT LIST		**$ -**	**$ 50,000**	**$ 50,000**	**$ 50,000**

[1]Actuals intentionally left blank.
[2]Includes Estimated FY2027 Project Spend.

San Jacinto River Authority - Bear Branch Repair and Replacement Fund
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OPERATING REVENUES						
Capital Contributions	$ -	$ -	$ -	$ -	$ 500,000	$ 1,500,000
TOTAL OPERATING REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ 500,000**	**$ 1,500,000**
OTHER REVENUES						
Interest Income	$ -	$ 5	$ 39,520	$ 29,149	$ -	$ -
Grant Revenue	-	81,695	30,229	-	789,100	858,000
TOTAL OTHER REVENUES	**$ -**	**$ 81,700**	**$ 69,749**	**$ 29,149**	**$ 789,100**	**$ 858,000**
OPERATING EXPENSES						
SUPPLIES, MATERIALS & UTILITIES						
Bank Account Analysis Fee	$ -	$ -	$ (39)	$ -	$ -	$ -
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ -**	**$ -**	**$ (39)**	**$ -**	**$ -**	**$ -**
TOTAL OPERATING EXPENSES	**$ -**	**$ -**	**$ (39)**	**$ -**	**$ -**	**$ -**
TOTAL EXPENSES	**$ -**	**$ -**	**$ (39)**	**$ -**	**$ -**	**$ -**
NET REVENUES OVER EXPENSES	**$ -**	**$ 81,700**	**$ 69,788**	**$ 29,149**	**$ 1,289,100**	**$ 2,358,000**
PROJECTS[1]						
Estimated FY2027 Projects Spend					$ 1,214,000	$ 1,320,000
TOTAL PROJECTS					**$ 1,214,000**	**$ 1,320,000**
OTHER SOURCES (USES)[1]						
Cash Sources (Uses)					$ 766,422	$ 1,115,949
TOTAL OTHER SOURCES (USES)					**$ 766,422**	**$ 1,115,949**
NET CASH BASIS SOURCES (USES)	**$ -**	**$ 81,700**	**$ 69,788**	**$ 29,149**	**$ 841,522**	**$ 2,153,949**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
BBDMP - Bear Branch Dam Modifications	In Progress	$ 6,850,000	$ 7,150,000	$ 14,000,000	$ 1,320,000
TOTAL PROJECT LIST		**$ 6,850,000**	**$ 7,150,000**	**$ 14,000,000**	**$ 1,320,000**

[1]Actuals intentionally left blank.

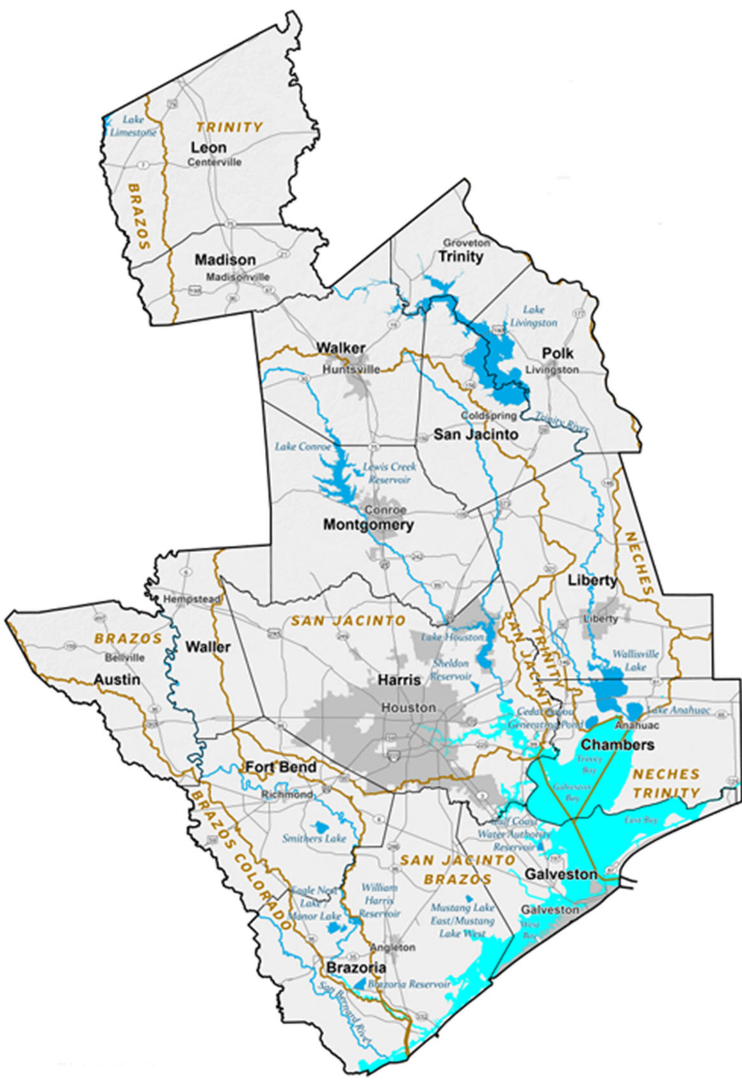
Region H Water Planning Group

SJRA serves as the administrative agent for the Region H Water Planning Group (Region H). Region H is one of 16 regional water planning groups established by the Texas Legislature in 1997 under Senate Bill 1. The group is responsible for developing a 50-year regional water plan, updated every five years, for all or part of 15 counties, including Montgomery County. The planning process identifies projected water shortages when anticipated demands exceed available water supplies.

The State of Texas, primarily through Texas Water Development Board (TWDB) grants, provides the majority of funding for Region H activities, with participating local entities contributing a small amount to cover miscellaneous expenses.

Region H recently completed development of the 2026 Region H Regional Water Plan, which will be incorporated into the 2027 State Water Plan. The group is now in the early stages of developing the 2031 Region H Water Plan, which will be incorporated into the 2032 State Water Plan.

Map of Region H Water Planning Group Area



All or Parts of Counties Included In the Region H Water Planning Group Area

- Austin
- Brazoria
- Chambers
- Fort Bend
- Galveston
- Harris
- Leon
- Liberty
- Madison
- Montgomery
- Polk
- San Jacinto
- Trinity
- Walker
- Waller

Capital Improvements and Project Plans

The SJRA doesn't prepare a Region H Project Plan; however, the Region H Plan is tracked utilizing project tracking. For FY2027's budget, the project list can be found under each fund's Actual to Budget Comparison.

Total Indebtedness and Annual Debt Service

Region H has no outstanding debt obligations as of FY2026 and does not anticipate incurring any debt during FY2027.

Staffing Plan

SJRA does not allocate staff time to Region H.

Revenues

Revenues for FY2027 for Region H include an anticipated TWDB grant of $651,769 as well as $1,700 in interest income for total revenues of $653,469.

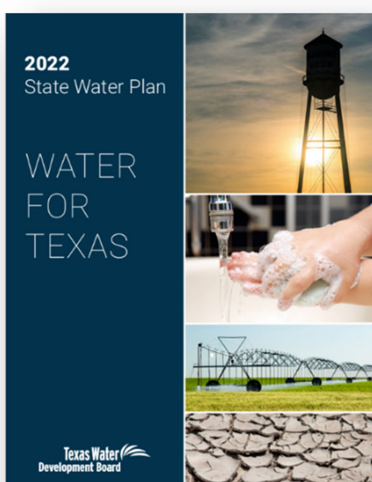
Expenditures

FY2027 expenditures for Region H include professional fees and other miscellaneous purchased and contracted services associated with the development of the 2031 Region H Water Plan. TWDB grant funding covers professional fees and certain travel expenses, while remaining miscellaneous costs are funded through prior contributions from member entities.

Expected expenditures for Region H for FY2027 total $653,969.

Fund Balance and Reserves

Region H does not maintain a fund balance or reserves. For FY2027, the net difference between revenues and expenditures is budgeted at $0.



San Jacinto River Authority - Region H Summary
Actual to Budget Comparison
FY2023 - FY2027

Description	Actuals FY2023	Actuals FY2024	Actuals FY2025	Actuals Sept-Mar FY2026	Budget FY2026	PROPOSED Budget FY2027
OTHER REVENUES						
Interest Income	$ 7,578	$ 19,289	$ 15,597	$ 3,444	$ 1,700	$ 1,700
Grant Revenue	200,308	717,878	1,004,520	(47,363)	530,322	651,769
TOTAL OTHER REVENUES	**$ 207,886**	**$ 737,167**	**$ 1,020,117**	**$ (43,919)**	**$ 532,022**	**$ 653,469**
OPERATING EXPENSES						
PROFESSIONAL FEES						
Engineering	$ 196,503	$ 717,878	$ 1,150,165	$ (127,162)	$ 526,322	$ 651,269
TOTAL PROFESSIONAL FEES	**$ 196,503**	**$ 717,878**	**$ 1,150,165**	**$ (127,162)**	**$ 526,322**	**$ 651,269**
PURCHASED & CONTRACTED SERVICES						
Meeting Expenses	$ -	$ 488	$ 133	$ -	$ -	$ -
Directors' Travel Expenses	-	-	-	-	500	500
Posting Notice Expenses	89	77	3,449	-	4,000	500
Public Official Liability	1,447	1,447	1,447	1,447	1,600	1,600
TOTAL PURCHASED & CONTRACTED SERVICES	**$ 1,536**	**$ 2,012**	**$ 5,029**	**$ 1,447**	**$ 6,100**	**$ 2,600**
SUPPLIES, MATERIALS & UTILITIES						
Automobile & Truck Expense	$ -	$ 270	$ -	$ -	$ -	$ -
Postage	-	21	89	22	100	100
TOTAL SUPPLIES, MATERIALS & UTILITIES	**$ -**	**$ 292**	**$ 89**	**$ 22**	**$ 100**	**$ 100**
TOTAL OPERATING EXPENSES	**$ 198,039**	**$ 720,182**	**$ 1,155,283**	**$ (125,693)**	**$ 532,522**	**$ 653,969**
TOTAL EXPENSES	**$ 198,039**	**$ 720,182**	**$ 1,155,283**	**$ (125,693)**	**$ 532,522**	**$ 653,969**
NET REVENUES OVER EXPENSES	**$ 9,847**	**$ 16,985**	**$ (135,166)**	**$ 81,774**	**$ (500)**	**$ (500)**
OTHER SOURCES (USES)(1)						
Cash Sources (Uses)					$ 500	$ 500
TOTAL OTHER SOURCES (USES)					**$ 500**	**$ 500**
NET CASH BASIS SOURCES (USES)	**$ 9,847**	**$ 16,985**	**$ (135,166)**	**$ 81,774**	**$ -**	**$ -**

PROJECT LIST	Status	Current Total Project Budget	PROPOSED Changes	PROPOSED Total Project Budget	Estimated FY2027 Project Spend
RHP31 - Region H Plan 2031	Planned	$ -	$ 651,259	$ 651,259	$ 651,259
TOTAL PROJECT LIST		**$ -**	**$ 651,259**	**$ 651,259**	**$ 651,259**

(1)Actuals intentionally left blank.

San Jacinto River Authority
FY2027 Budget
Capital Equipment List

Flood Management:	FY2027 Budget	Description
Computer Hardware	$ 2,604	Flood Management's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000)

General & Administration:

Transportation Equipment	$ 130,000	(2) SCADA Truck Replacements ($90,000); (1) Executive Vehicle Replacement ($40,000)
Computer Hardware	$ 6,337	G&A's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000)

GRP:

Transportation Equipment	$ 30,000	Small SUV for Compliance Department
Water Treatment Plant & Facilities	$ 30,000	Warehouse buildout
Other Machinery & Equipment	$ 90,000	Air Compressor for Membrane ($15,000); Total Organic Carbon Analyzer ($75,000)
Computer Hardware	$ 65,756	GRP's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000) ($29,756); (6) New Switches ($36,000)

Highlands:

Transportation Equipment	$ 135,000	Replacement of (1) 3/4-ton truck and (1) 1/2-ton truck, including fixtures
Building	$ 23,000	Fan for shop
Pump Station	$ 100,000	Fall protection for Lake Houston Pump Station
Other Machinery & Equipment	$ 141,000	Equipment trades: Side by side ($30,000), Zero Turn Mower ($15,000), Mower Trailer ($15,000), Batwing Mower ($30,000); Bobcat Thumb ($25,000); In-Situ Water Quality Monitoring Equipment ($26,000)
Computer Hardware	$ 22,873	Highland's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000)

Lake Conroe:

Transportation Equipment	$ 48,000	Replacement of (1) Truck
Computer Hardware	$ 95,043	Lake Conroe's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000) ($17,043); AV-Adams Building ($30,000); AV Maintenance Building ($30,000); Network Devices ($18,000)
Other Machinery & Equipment	$ 163,000	120-hp Cab Tractor ($155,000); Spray Rig ($8,000)

Raw Water:

Computer Hardware	$ 2,654	Raw Water's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000)

Woodlands:

Other Machinery & Equipment	$ 260,000	Thumb ($11,000); All-terrain Forklift ($100,000); 1-ton Utility Crane Truck ($150,000)
Sewage Treatment Plant & Facility	$ 194,200	ISCO ($11,500); Sulphanator and Piping ($38,200); WWTP 1 Additional Chlorine Induction Pump ($6,500); WWTP 1 RAS 2 Replacement ($33,000); WWTP 1 Storm Pump 4 ($20,000); WWTP 1 Real Time Chlorine Device ($55,000); WWTP 3 Additional PPW Pump ($10,000); WWTP 3 WAS 1&2 Replacement ($20,000)
Lift Station	$ 55,000	Lift Station Pump 35-hp ($55,000)
Computer Hardware	$ 146,733	Woodland's Portion of (3) New Servers ($60,000), (2) Buffalo Storage Devices ($5,000), (2) Switches ($12,000), Storage Area Node ($50,000) (total all SJRA cost is $127,000) ($45,733); Core Switch Replacement, New Edge Switches ($101,000)
Security System	$ 40,000	Additional security updates and upgrades