



Regional. Reliable. Everyday.

July 29, 2022

Ms. Jana Shelton
City Manager
City of Crandall
P.O. Box 277
Crandall, Texas 75114

RE: PRELIMINARY CHARGES FOR FISCAL YEAR 2023

Dear Ms. Shelton:

To assist the City of Crandall in the preparation of its budget, the District is providing preliminary estimates of revenues, expenses, and city charges for FY 2023. These estimates, including your Regional Water System minimum annual demand, are based on information presented to the District's Board at the Budget Work Session on July 21, 2022 and are subject to change as the District continues to develop its FY 2023 Annual Budget. As the District progresses through the budget process, demand projections will be revised accordingly in an effort to reflect your estimated minimum annual demand for the upcoming year. Once the July water consumption is recorded, your annual minimum for next year will be calculated. The District will provide the 2022-23 Budget Summary and Billing Schedules, subject to approval of the budget by the District's Board of Directors, by the end of September.

At this time, the proposed Customer Water Rate for FY 2023 is expected to be \$3.44 per 1,000 gallons. The District will continue throughout the budget process to ensure that requested funds are only for critical infrastructure, equipment and support necessary to provide our services, while continuing to look for ways to reduce the water rate. Enclosed are the preliminary 2022-23 Budget Summary and Billing Schedule for the following charges:

- Kaufman 4-1 Water Distribution Facilities - Water \$ 633,892.53
- Kaufman 4-1 Water Distribution Facilities - O&M \$ 49,966.20

Please note the Kaufman 4-1 System's FY 2023 Annual Budget is estimated at \$150,685, which is \$20,335 or 15.6% greater than the FY 2022 Original Budget. The increase is primarily related to air relief valve repair and replacement. The budget increase was determined through planning with Kaufman 4-1 partners.

Regional Service Through Unity...Meeting Our Region's Needs Today and Tomorrow

Ms. Jana Shelton
July 29, 2022
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At your convenience, you may visit our website at <http://www.ntmwd.com>, for additional Financial Transparency information and to view past committee meeting presentations. Should you have any questions or need additional information, please contact Jeanne Chipperfield, Deputy Director – Administrative Services, by e-mail at jchipperfield@ntmwd.com.

Sincerely,

DocuSigned by:

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JENNAFER P. COVINGTON
Executive Director

JPC/JC/EAF/DTF/kar
Enclosures

Kaufman Four-One Water Distribution Facilities

Revenues and Expenses	2020-21	2021-22	2021-22	2022-23	Variance \$	Variance %
	Actual	Original Budget	Amended Budget	Proposed Budget	To Original Budget	To Original Budget
Revenues						
Sewer Sales:						
Water Facilities: College Mound	\$ 19,278	\$ 23,561	\$ 23,497	\$ 27,162	\$ 3,601	15.28%
Water Facilities: City of Crandall	35,170	42,984	43,223	49,966	6,982	16.24%
Water Facilities: Gastonia-Scurry	45,261	55,317	55,166	63,772	8,455	15.28%
Water Facilities: Rose Hill	6,941	8,483	8,460	9,780	1,297	15.28%
Total Sewer Sales	\$ 106,650	\$ 130,345	\$ 130,345	\$ 150,680	\$ 20,335	15.60%
Total Other Revenues	\$ 44,796	\$ -	\$ -	\$ -	\$ -	0.00%
Interest Income	\$ 8	\$ 5	\$ 5	\$ 5	\$ -	0.00%
Total Revenues	\$ 151,454	\$ 130,350	\$ 130,350	\$ 150,685	\$ 20,335	15.60%
Expenses						
Supplies:						
Other	\$ 8,374	\$ 27,460	\$ 27,460	\$ 33,460	\$ 6,000	21.85%
Total Supplies	\$ 8,374	\$ 27,460	\$ 27,460	\$ 33,460	\$ 6,000	21.85%
Services:						
Insurance	\$ 732	\$ 935	\$ 935	\$ 1,020	\$ 85	9.09%
Maintenance	300	9,750	9,750	8,450	(1,300)	-13.33%
Power	119,381	40,000	40,000	45,000	5,000	12.50%
Shared Services	22,490	41,560	41,560	51,975	10,415	25.06%
Other	178	140	140	275	135	96.43%
Total Services	\$ 143,080	\$ 92,385	\$ 92,385	\$ 106,720	\$ 14,335	15.52%
Escrow	\$ -	\$ 10,505	\$ 10,505	\$ 10,505	\$ -	0.00%
Total Expenses	\$ 151,454	\$ 130,350	\$ 130,350	\$ 150,685	\$ 20,335	15.60%
Net Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

SMALL SYSTEMS

PRELIMINARY 7/31/2022
NORTH TEXAS MUNICIPAL WATER DISTRICT

Kaufman Four-One Water Distribution Facilities

Member City Charges	2020-21		2021-22		2021-22		2022-23	
	Actual	Original Budget	Amended Budget	Proposed Budget	Amended Budget	Proposed Budget	Amended Budget	Proposed Budget
College Mound	\$ 19,278	\$ 23,561	\$ 23,497	\$ 27,162				
Crandall	35,170	42,984	43,223	49,966				
Gastonia Scurry	45,261	55,317	55,166	63,772				
Rose Hill	6,941	8,483	8,460	9,780				
Total	\$ 106,650	\$ 130,345	\$ 130,345	\$ 150,680				
Annual Flow (1,000):								
College Mound	100,447	100,447	100,447	100,172	18.026%	18.026%	100,172	18.026%
Crandall	183,252	183,252	184,777	184,271	32.977%	33.160%	184,271	33.160%
Gastonia Scurry	235,831	235,831	235,831	235,186	42.439%	42.323%	235,186	42.323%
Rose Hill	36,165	36,165	36,165	36,066	6.508%	6.490%	36,066	6.490%
Total	555,695	555,695	557,220	555,695	100.000%	100.000%	555,695	100.000%

**Kaufman Four-One
Consumption
FY 21-22**

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	<u>College Mound</u>	<u>Crandall</u>	<u>Gastonia Scurry</u>	<u>Rosehill</u>	<u>Sum</u>	<u>Master Meter</u>
Aug-21	11,820	18,944	22,635	-	53,399	51,586
Sep-21	8,513	23,491	24,836	-	56,840	55,183
Oct-21	10,217	22,613	19,582	-	52,412	50,998
Nov-21	7,905	14,888	15,838	-	38,631	37,984
Dec-21	12,333	14,521	16,970	-	43,824	42,056
Jan-22	6,006	10,998	14,375	-	31,379	32,926
Feb-22	6,778	11,515	13,705	-	31,998	32,110
Mar-22	7,200	11,282	15,060	-	33,542	34,013
Apr-22	3,784	13,236	19,065	-	36,085	34,971
May-22	146	12,627	19,506	-	32,279	33,072
Jun-21	417	16,532	28,658	-	45,607	44,941
Jul-21 *	8,977	16,993	19,585	-	45,555	44,058
	84,096	187,640	229,815	-	501,551	493,898

*Estimated based on July 2021 Consumption.

Kaufman Four-One Adjustment of Minimums

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	FY22 Minimums		FY22 Individual Meters		(1) FY22 Master Meter Allocation	
	(a)	(b)	(c)	(d)	(e)	(f = d)
College Mound	100,447	18.0758%	84,096	16.7672%	82,813	16.7672%
Crandall	183,252	32.9771%	187,640	37.4119%	184,777	37.4119%
Gastonia - Scurry	235,831	42.4390%	229,815	45.8209%	226,309	45.8209%
Rose Hill	36,165	6.5081%	-	0.0000%	-	0.0000%
Total	555,695	100.0000%	501,551	100.0000%	493,898	100.0000%

	(2) FY22 Adjusted Minimums		(3) FY23 Minimums	
	(g > a or e)	(h)	(i)	(j = h)
College Mound	100,446.575	18.0264%	100,171.758	18.0264%
Crandall	184,776.626	33.1605%	184,271.087	33.1605%
Gastonia - Scurry	235,831.172	42.3228%	235,185.951	42.3228%
Rose Hill	36,165.150	6.4903%	36,066.204	6.4903%
Total	557,220	100.0000%	555,695	100.0000%

Notes: Minimums and Metered Consumption are stated in 1,000 gallons.

- (1) To Allocate the Master Meter in Proportion to Individual Meters.
- (2) Based on the greater of the FY22 Minimums or the FY22 Master Meter Allocation.
- (3) Allocation of the greater of FY22 Minimum or FY22 Master Meter in Proportion to FY22 Adjusted Minimums.

**Kaufman Four-One
Allocation of FY23 Annual Budget**

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Cost of Water:	555,695,000	gallons x	\$3.44	per 1,000 gallons =	\$ 1,911,590.80
Operations & Maintenance:					
Expenditures					\$ 150,685
Tsf from Maintenance Reserve					\$ -
Other Income					\$ (5.00)
Total O&M					<u>\$ 150,680</u>
Total Cost					<u><u>\$ 2,062,270.80</u></u>

Cost Allocation by Participant:

	FY23 Minimums <small>(1,000 gallons)</small>	Cost of Water	Cost of O&M	Total Cost	
College Mound	100,172	18.0264%	\$ 344,590.85	\$ 27,162.17	\$ 371,753.02
Crandall	184,271	33.1605%	633,892.53	49,966.20	683,858.73
Gastonia - Scurry	235,186	42.3228%	809,039.67	63,772.07	872,811.74
Rose Hill	36,066	6.4903%	124,067.74	9,779.56	133,847.30
Total	<u>555,695</u>	<u>100.0000%</u>	<u>\$ 1,911,590.79</u>	<u>\$ 150,680.00</u>	<u>\$ 2,062,270.79</u>