



***Adoption of Fiscal Year 2018
Annual Operating Plan (Budget)
and Multi-Year Capital
Improvement Plan***

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



"BE IT RESOLVED by the Board of Directors of the Brazos River Authority (Board) that the following Fiscal Year 2018 Annual Operating Plan and Multi-Year Capital Improvement Plan (Budget) be approved and adopted.

BE IT FURTHER RESOLVED that the General Manager/CEO is hereby authorized to make expenditures and enter into contracts for expenditures as listed in the Budget, in accordance with the Brazos River Authority's General Operations Practices, Policy 2.01, *Authority And Responsibilities Of The Board Of Directors And General Manager/Chief Executive Officer*.



BE IT FURTHER RESOLVED that the General Manager/CEO is hereby authorized to make adjustments in the individual line item amounts of the Budget provided that the total amount expended shall not exceed the total amount authorized for each operating division as follows:

Water Supply	\$ 43,599,027
Cost Reimbursable	<u>18,382,344</u>
Total Operating Budget	<u>\$ 61,981,371</u>

Water Supply	\$ 22,306,000
Cost Reimbursable	<u>0</u>
Total Capital Budget	<u>\$ 22,306,000</u>



BE IT FURTHER RESOLVED that the Board hereby adopts the Multi-Year Capital Improvement Plan as presented in the Budget.

BE IT FURTHER RESOLVED that the Board hereby approves and adopts a rate of \$74.00 per acre-foot of water annually for Fiscal Year 2018, for both the System Water Rate and the Interruptible Water Rate.

BE IT FURTHER RESOLVED that the Board hereby approves and adopts a rate of \$51.80 per acre-foot of water annually for Fiscal Year 2018, for the Agricultural Water Rate.

BE IT FURTHER RESOLVED that the Board hereby approves and adopts a methodology for Quarterly Payments or Monthly Payments to include a multiplier to be applied to the annual payment to allow the Brazos River Authority to recover interest lost on any unpaid balance plus a Service Charge for administrative costs, including, but not limited to, costs involving the billing, accounting and collecting for the quarterly or monthly payments; and



BE IT FURTHER RESOLVED by the Board that the methodology used to determine the multiplier consists of applying the current savings rate the Brazos River Authority would be earning on the funds if paid in full annually, to the unpaid balance on a monthly or quarterly schedule, to determine lost interest; and that the Service Charge shall remain at twenty dollars (\$20.00) per invoice to cover additional administrative costs for billing, accounting and collecting the associated payments; and

BE IT FURTHER RESOLVED that the Board of Directors of the Brazos River Authority hereby approves and adopts an annual interest rate of 1.07% and a daily interest rate charge of .0029315% ($1.07\% \div 365$) to be applied for quarterly and monthly payments for Fiscal Year 2018.”



Brazos River Authority