Martin County Water District

2027 Fiscal Year Budget Estimate

Statement of Revenues and Expenditures
(in Dollars)

Cash Needs Basis

	Budget 2024	Actual 2024	Budget 2025	Actual 2025	Budget 2026	Actual Thru Sep-26	2026 YTP Projections	Budget 2027	Notes
Revenue Source									
Water Sales	$ 2,585,000	$ 2,669,215	$ 2,913,710	$ 2,973,563	$ 3,136,576	$ 2,254,698	$ 3,006,264	$ 3,006,264	
All Other Revenue, Connection Fees	293,526	318,784	298,400	512,394	339,264	238,043	320,819	433,725	Number includes moving DSS to MIS - $102,236
Total Revenue	**$ 2,878,526**	**$ 2,987,999**	**$ 3,212,110**	**$ 3,485,957**	**$ 3,475,840**	**$ 2,492,741**	**$ 3,327,083**	**$ 3,439,989**	
Expenditures									
All General & Operating Expenses	$ 2,612,494	$ 2,880,035	$ 2,958,795	$ 2,993,239	$ 2,885,898	$ 2,309,618	$ 3,079,491	$ 3,183,515	
Interest Expense(s)	$ 80,458	$ 58,413	$ 56,012	$ 117,423	$ 133,305		$ -	$ 962	
Total Operating Expenditures	**$ 2,692,952**	**$ 2,938,448**	**$ 3,014,807**	**$ 3,110,662**	**$ 3,019,203**	**$ 2,309,618**	**$ 3,079,491**	**$ 3,184,477**	
Net Revenue B4 Principal Payments	**$ 185,574**	**$ 49,551**	**$ 197,303**	**$ 375,295**	**$ 456,637**	**$ 183,123**	**$ 247,593**	**$ 255,512**	
Debt Service Coverage Calculation									
Net Revenue B4 Principal	$ 185,574	$ 49,551	$ 197,303	$ 375,295	$ 456,637	$ 183,123	$ 247,593	$ 255,512	
Plus Above Interest Expense	$ 80,458	$ 58,413	$ 56,012	$ 117,423	$ 133,305	$ -	$ -	$ 962	Remaining interest through April 2027 - Will likely be less (Generator)
Net Revenues Available for Coverage	**$ 266,031**	**$ 107,964**	**$ 253,315**	**$ 492,718**	**$ 589,942**	**$ 183,123**	**$ 247,593**	**$ 256,474**	
P&I Debt Service	**$ 212,483**	**$ 72,159**	**$ 204,823**	**$ 316,978**	**$ 316,978**			**$ 44,660**	Reimbursable by Fema for Generator Project
Net Revenue after Oper & Debt Exp.	**$ 53,548**	**$ 35,805**	**$ 48,492**	**$ 175,740**	**$ 272,964**			**$ 211,814**	
Debt Service Coverage (Required Coverage 1.2)	**1.25**	**1.50**	**1.24**	**1.55**	**1.86**			**5.74**	
Projected YE Unrestricted Cash Reserves	**$ 53,548**	**$ -**	**$ 51,795**		**$ 122,964**			**$ 256,474**	Doesn't include Debt Service due to Generator Project Reimbursed
Capital Improvements Expected This Year			**$ 54,960,852**		**$ 19,458,413**			**$ 8,516,594**	
2027 - 2030 Funded Capital Projects	**$ 5,104,518**		**$ 8,516,594**		**$ 12,759,000**			**$ 26,084,521**	
2027 Improvements Funded From Cash if Available	**$ 348,606**		**$ 355,000**		**$ 474,000**			**$ 355,000**	
Capital Improvements Still Seeking Funding	**$ 66,831,000**		**$ 26,084,521**		**$ 51,897,000**			**$ 54,960,852**	
Total Capital Improvements (CI)	**$ 73,674,124**		**$ 34,956,115**		**$ 84,588,413**			**$ 81,400,373**	

Martin County Water District

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Statement of Revenues in Dollars

Revenue Source	Budget 2024	Budget 2025	Actual 2025	Budget 2026	Actual Thru 26-Sep	2026 YTP Projections	Budget 2027	Notes
Water Sales - Residential	$ 2,110,000	$ 2,360,069	$ 2,139,362	$ 2,277,280	$ 1,617,941	$ 2,157,255	$ 2,157,255	
Water Sales - Commercial	$ 350,000	$ 463,641	$ 429,152	$ 432,608	$ 318,528	$ 424,704	$ 424,704	
Water Sales - Public Authorities	$ 125,000	$ 90,000	$ 331,023	$ 426,688	$ 318,229	$ 424,305	$ 424,305	
Water Sales - Bulk	$ 400	$ 400	$ 417	$ 324	$ 567	$ 756	$ 756	
Connection Fees - Tap	$ 26,580	$ 15,000	$ 21,368	$ 32,672	$ 9,000	$ 15,429	$ 22,000	Number based on previous year taps and addition of new equipment mid year
Late Charge Fees	$ 55,000	$ 70,000	$ 79,476	$ 78,480	$ 53,551	$ 71,401	$ 75,500	
Reconnect/Meter Sets/Other Fees	$ 23,465	$ 25,000	$ 25,556	$ 27,352	$ 20,311	$ 27,081	$ 27,081	
Management Infrastructure Surcharge	$ 188,081	$ 188,000	$ 185,217	$ 185,436	$ 137,610	$ 183,480	$ 285,716	Number based on requesting DSS to be transferred to MIS per PSC approval
Miscellaneous Income		$ -	$ 167,135	$ 15,000	$ 17,004	$ 22,672	$ 22,672	
Interest Income	0							
Debt Service Surcharge**								
Total Revenues	**$ 2,878,526**	**$ 3,212,110**	**$ 3,378,706**	**$ 3,475,840**	**$ 2,492,741**	**$ 3,327,083**	**$ 3,439,989**	

DSS not included in revenues for budget purposes

DSS	$ 105,000	$ 105,000	$ 103,204	$ 103,324	$ 76,677	$ 102,236	$ -	Number based on DSS being removed
Checker	$ 2,983,526	$ 3,317,110	$ 3,481,910	$ 3,579,164	$ 2,569,418	$ 3,429,319	$ 3,439,989	

Martin County Water District

2027 Fiscal Year Budget Estimate

Statement of Expenses in Dollars

	Budget 2024	Actual 2024	Budget 2025	Actual 2025	Budget 2026	Actual Thru Sep-26	2026 YTP Projections	Budget 2027	Notes
Operating Expenses									
Employee Benefits	$ -								
Water Purchased	$ 30,000	$ 46,616	50,000	21		14	19	21	
Management & Operations Contract	$ 2,022,084	$ 2,022,084	$ 2,022,084	$ 1,987,084	$ 2,178,898	$ 1,634,175	2,178,900	$ 2,227,574	Assumes Increase of 2.2%
Repair Cap Overage		$ 115,074		$ 14,483	$ -	$ 16,624	22,165		
Chemical Cap overage		$ 40,755		$ 51,586	$ -	$ (20,143)	(26,857)		
Utilities	$ 335,000	$ 278,114	335,000	284,422	325,000	217,481	289,975	350,000	Assumption is based off Raw Water project is complete and eletric increase at RWI
Insurance	$ 30,000	$ 29,183	30,000	44,008	80,000	49,327	65,769	60,000	Property & Casualty Ins, D&O Policy, Treasurer's Bond
Repairs & Maintenance	$ 110,000	$ 400,506	425,000	275,242	60,000	256,500	342,000	360,000	Considers Diesel and pump rentals + additional capital needs
Materials & Supplies					-		-		
Outside Services	$ 1,000	$ 407	1,000	2,400	-	1,500	2,000	1,500	
Legal Expenses	$ 10,000	$ 13,195	10,000	129,328	142,000	74,651	99,535	65,000	Number based on 12 month average lawyer invoices minus RWI case
Audit	$ 8,000	$ 8,125	8,000	8,250	10,000	8,375	11,167	23,500	Addition of single audit for projects
Bad Debts	$ 45,000	$ 45,000	45,000	45,000	45,000	33,750	45,000	45,000	
Bond Trustee Fees	$ 500	$ 900	500	450	500	450	600	500	
Admin Fees (Bonds)	$ -		-		-		-		
Dues	$ 4,620	$ 5,148	5,137	6,108	5,500	5,836	7,781	6,500	KRWA
Office Expense	$ 4,130	$ 6,427	5,000	7,672	5,000	4,620	6,160	6,500	
Rent Expense	$ 10,000	$ 25	10,000	4,365	10,000	7,838	10,451	10,420	
Regulatory Assess Fees	$ -	$ 4,703	6,271	5,037	10,000	5,222	6,963	7,000	
Permits	$ -		-		-		-		
KY 811 Services	$ 1,500	$ 1,917	1,500	1,938	2,000	1,212	1,616	2,000	
Taxes	$ -		-		-		-		
Miscellaneous Expense	$ 660	$ (544)	1,000	24,408	8,000	9,615	12,820	14,000	Fahe admin services
Additional Debt Service***					0		-		
Customer Deposit Interest	$ 65	$ 7,687	3,303	3,787	4,000	2,571	3,428	4,000	
Total Operating Expenses	**$ 2,612,494**	**$ 3,025,322**	**$ 2,958,795**	**$ 2,895,589**	**$ 2,885,898**	**$ 2,309,618**	**$ 3,079,491**	**$ 3,183,515**	**9.3%** (over prior budget)
Other Income (Expenses)									
Debt Service Surcharge (Fee)	$ 107,000	$ 104,009	$ 107,000	$ 103,204	$ 103,324	$ 76,677	$ 102,236	$ -	
Creditor Debt	$ (107,000)	$ (104,009)	$ (107,000)	$ (103,204)	$ (103,324)	$ (76,677)	$ (102,236)	$ -	
Interest Expense	$ (100,000)	$ (62,885)	$ (100,000)	$ (121,130)	$ (90,000)	$ (98,219)	$ (130,959)	$ (962)	
Capital Contributions	$ -	$ 43,355	$ -	$ 1,647,544	$ 26,084,521	$ 700,282	$ 933,709	$ 8,516,594	Based on projects in 2027 through design and partial or full construction
Interest Income	$ -	$ 3,745	$ -	$ 3,252	$ 2,500	$ 5,169	$ 6,892	$ 3,000	
Amortization	$ 753	$ (8,388)	$ 753	$ (4,769)	$ (11,621)	$ 566	$ 755	$ (6,500)	
Depreciation	$ (780,000)	$ (744,000)	$ (780,000)	$ (745,000)	$ (780,000)	$ (536,000)	$ (714,667)	$ (969,730)	
Bond Issue Costs		$ (4,500)							
Total Other Income (Expenses)	**$ (879,247)**	**$ (772,673)**	**$ (879,247)**	**$ 779,897**	**$ 25,205,400**	**$ 71,798**	**$ 95,731**	**$ 7,542,402**	

Martin County Water District

2027 Fiscal Year Budget Estimate

Debt Schedule

Debt	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Notes
Notes Payable - KIA					
Principal	$56,281	$0		$0	Payments made monthly
Interest	$11,166	$0		$0	Paid off 1/31/2024
Admin Fee	$744	$0		$0	
KIA N/P Total	**$68,191**	**$0**		**$0**	
Loan Payable - KIA					
Principal	$56,324	$67,589	$67,589	$0	Payments made monthly
Interest	$0	$0	$0	$0	$0 interest loan
Admin Fee	$0	$0	$0	$0	
KIA Total	**$56,324**	**$67,589**	**$67,589**	**$0**	
Lease Purchase - Magnolia					
Principal			$46,084	$0	Payments made monthly
Interest			$10,201	$0	
Lease Purchase - Magnolia Total	**$0**	**$0**	**$56,285**	**$0**	
KACO Lease Payable -Generators					
Principal			$0	$43,698	interest paid monthly
Interest			$69,550	$962	principal due 4/20/27
KACO Lease Payable -Generators	**$0**	**$0**	**$69,550**	**$44,660**	
Lease Payable - KACO					
Principal	$15,000	$11,222		$0	Principal due 3/20 each year
Interest	$1,277	$288		$0	payoff 3/20/25
KACO Lease Payable Total	**$18,968**	**$11,510**		**$0**	
Bonds Payable - 2015 E Current Refunding					
Principal	$65,000	$70,000	$70,000	$0	Principal is due 1/1 so funded in p/yr
Interest	$57,739	$55,724	$53,554	$0	
2015 E Current Refunding Total	**$125,324**	**$125,724**	**$123,554**	**$0**	
Total Debt - All Issues	**$212,483**	**$204,823**	**$316,978**	**$44,660**	* Reimbursed by Fema *
Total Interest Expense	**$80,458**	**$56,012**	**$133,305**	**$962**	
Total Admin Fees Expense	**$744**	**$0**	**$0**	**$0**	

Martin County Water District

2027 Fiscal Year Budget Estimate

Capital Improvements
Water System, Sewer System, Machinery and Equipment

	2027 Budget	Projects Beyond 27	Funding Source	Current Funded Projects
Water System Improvements				
Trucks / Equipment (Water)		$ 500,000	KY Wwaters	
Water System Controls and Raw Water Modifications Phase III		$ 2,563,852	KY Wwaters	
Coldwater Line Replacement Phase II		$ 3,419,000		
Inez Water Line & Valve Replacement		$ 5,000,000	KY Wwaters 2027 FYE	
Hydrant and Flush Install / Replacement		$ 1,000,000		
Chemical Feed at Inez WTP (room, bulk tank and system)		$ 1,100,000		
Buffalo Horn Water Line Replacement & Booster Station Rehab		$ 2,186,000		
Turkey Water Line Replacement		$ 6,822,000		
Meathouse Water Line Replacement & Booster Station Rehab		$ 7,652,000		
Big Elk Water Line Replacement & Booster Station Rehab		$ 2,433,000		
Redundancy Turkey Creek Pump		$ 100,000		
On-line Monitoring Equipment/SCADA Upgrades		$ 500,000		
Copper Sulfate Feed System at Reservoir		$ 100,000		
Hode Water Line Replacement		$ 5,226,000		
Peter Cave Water Line Replacement & Booster Station Rehab		$ 1,457,000		
Big Lick Water Line Replacement & Booster Station Rehab		$ 1,877,000		
Creek Crossing Replacement		$ 1,000,000		
Cassell Branch Water Line Replacement & Booster Station Rehab		$ 1,574,000		
Spicy Mountain Water Line Extension		$ 4,200,000		
Wolf Creek/Pigeon Roost Water Line Replacement		$ 1,315,000		
High School Pump Station Check Valve		$ 81,000		
Sludge Management WTP		$ 500,000		
Distribution Building and Pipe Yard		$ 500,000		
Kermit Tie-In		$ 250,000		
645 Water Line Replacement & Booster Station Rehab		$ 1,255,000		
Water Plant High Service Pump Replacement		$ 850,000		
Water Distribution System Improvements		$ 1,500,000		
Service Debt	$ 284,244		Funded	$ 3,294,561
Tank Inspections and Painting	$ 267,000		Funded	$ 769,210
292 Booster Station & Water Line Replacement	$ 587,350		Funded	$ 964,850
Davella Pump Station and Line Replacement	$ 747,000		Funded	$ 6,471,900
Old Rt. 3 - Water improvement Project Phase I	$ 1,350,000		Funded	$ 2,533,000
Martin County Water System Master Plan			Funded	$ 250,000
Martin County Meter Project	$ 100,000		Funded	$ 2,000,000
FEMA Backup Generators			Funded	$ 1,320,000
Otto Brown Booster Station, Line Replacement to Middle fork Tank, Davella Booster Station Upgrade	$ 1,200,000		Funded	$ 2,000,000
Coldwater Line Replacement Phase I	$ 2,717,000		Funded	$ 5,000,000
Rt. 40E - Water Improvement Project	$ 583,000		Funded	$ 800,000
Recoat/Repair - 50K Gallon Turkey Water Storage Tank	$ 681,000		Funded	$ 681,000
Sub-Total Water System Improvements	**$ 8,516,594**	**$ 54,960,852**		**$26,084,521.37**

Machinery and Equipment		
Excavator w/Trailer (Mini w/attachments)	$ 70,000	Funded from cash
3/4 ton 4x4 tool truck with Hoist, Generator, and Compre	$ 120,000	Funded From Cash if Available
(3)Passenger Truck 4x4	$ 150,000	Funded From Cash if Available
Level Probes for Filter 4 and 5	$ 15,000	Funded From Cash if Available
Sub-Total Machinery and Equipment	**$ 355,000**	

Expected Capital Contributions for 2027	**$ 8,516,594**
2027 Improvements Funded From Cash	**$ 355,000**
CIP Beyond 2027	**$ 54,960,852**
Current Funded Projects	**$ 26,084,521**