

Martin County Water District
2026 Fiscal Year Budget Estimate
Statement of Revenues and Expenditures
(in Dollars)

Cash Needs Basis

	<u>Actual 2022</u>	<u>Budget 2023</u>	<u>Actual 2023</u>	<u>Budget 2024</u>	<u>Actual 2024</u>	<u>Budget 2025</u>	<u>Annual thru 7/31/2025</u>	<u>Projected YTD 2025</u>	<u>Budget 2026</u>	<u>Notes</u>
Revenue Source										
Water Sales	\$ 2,554,704	\$ 2,580,000	\$ 2,641,900	\$ 2,585,000	\$ 2,669,215	\$ 2,913,710	\$ 1,684,446	\$ 2,887,622	\$ 3,136,576	This number based off YTD projections form last 4 months since meter change out
All Other Revenue, Connection Fees	288,151	306,168	312,491	293,526	318,784	298,400	197,125	337,929	339,264	
Total Revenue	\$ 2,842,855	\$ 2,886,168	\$ 2,954,391	\$ 2,878,526	\$ 2,987,999	\$ 3,212,110	\$ 1,881,571	\$ 3,225,550	\$ 3,475,840	
Expenditures										
All General & Operating Expenses	\$ 2,626,146	\$ 2,626,303	\$ 2,822,526	\$ 2,612,494	\$ 2,880,035	\$ 2,955,492	\$ 1,546,798	\$ 2,651,654	\$ 3,035,898	
Interest Expense(s)	\$ 102,853	\$ 100,000	\$ 106,651	\$ 80,458	\$ 58,413	\$ 56,012	\$ 133,305	\$ 228,523	\$ 133,305	
Total Operating Expenditures	\$ 2,728,999	\$ 2,726,303	\$ 2,929,177	\$ 2,692,952	\$ 2,938,448	\$ 3,011,504	\$ 1,680,103	\$ 2,880,177	\$ 3,169,203	
Net Revenue B4 Principal Payments	\$ 113,856	\$ 159,865	\$ 25,214	\$ 185,574	\$ 49,551	\$ 200,606	\$ 201,468	\$ 345,374	\$ 306,637	
Debt Service Coverage Calculation										
Net Revenue B4 Principal	\$ 113,856	\$ 159,865	\$ 25,214	\$ 185,574	\$ 49,551	\$ 200,606	\$ 201,468	\$ 345,374	\$ 306,637	
Plus Above Interest Expense	102,853	100,000	106,651	80,458	58,413	56,012	133,305	228,523	133,305	
Net Revenues Available for Coverage	\$ 216,709	\$ 259,865	\$ 131,865	\$ 266,031	\$ 107,964	\$ 256,618	\$ 334,773	\$ 573,897	\$ 439,942	
P&I Debt Service	\$ 72,159	\$ 204,823	\$ 212,483	\$ 212,483	\$ 72,159	\$ 204,823	\$ 316,978	\$ -	\$ 316,978	
Net Revenue after Oper & Debt Exp.	\$ 144,550	\$ 47,382	\$ 47,382	\$ 53,548	\$ 35,805	\$ 51,795			\$ 122,964	
Debt Service Coverage (Required Coverage 1.2)	3.00	1.22	0.62	1.25	1.50	1.25			1.39	

Martin County Water District

Statement of Revenues in Dollars

<u>Revenue Source</u>	<u>Actual Thru 9/30/2024</u>	<u>Projected 2024</u>	<u>Budget 2025</u>	<u>Actual Thru Jul-25</u>	<u>YTD Projections</u>	<u>Projected 2026</u>	<u>Notes</u>
Water Sales - Residential	\$ 1,609,138	\$ 2,145,517	\$ 2,360,069	\$ 1,266,923	2,171,868.00	\$2,277,280.00	This number based off YTD projections form last 4 months since meter change out
Water Sales - Commercial	\$ 316,119	\$ 421,492	\$ 463,641	\$ 250,595	429,591.43	\$432,608.00	This number based off YTD projections form last 4 months since meter change out
Water Sales - Public Authorities	\$ 76,654	\$ 102,205	\$ 90,000	\$ 166,928	286,162.29	\$426,688.00	This number based off YTD projections form last 4 months since meter change out
Water Sales - Bulk	\$ 449	\$ 599	\$ 400	\$ 171	293.14	\$324.00	This number based off YTD projections form last 4 months since meter change out
Connection Fees - Tap	\$ 14,076	\$ 18,768	\$ 15,000	\$ 13,168	22,573.71	\$32,672.00	This number based off YTD projections form last 4 months since meter change out
Late Charge Fees	\$ 59,515	\$ 79,353	\$ 70,000	\$ 46,614	79,909.71	\$78,480.00	This number based off YTD projections form last 4 months since meter change out
Reconnect/Meter Sets/Other Fees	\$ 23,908	\$ 31,877	\$ 25,000	\$ 17,034	29,201.14	\$27,352.00	This number based off YTD projections form last 4 months since meter change out
Management Infrastructure Surcharge	\$ 140,180	\$ 186,907	\$ 188,000	\$ 108,033	185,199.43	\$185,436.00	This number based off YTD projections form last 4 months since meter change out
Miscellaneous Income	\$ 960	\$ 1,280	\$ -	\$ 12,105	20,751.43	\$15,000.00	This number based off YTD projections form last 4 months since meter change out
Interest Income		\$ -	\$ 0				This number based off YTD projections form last 4 months since meter change out
Debt Service Surcharge**							This number based off YTD projections form last 4 months since meter change out
Total Revenues	\$ 2,240,999	\$ 2,987,999	\$ 3,212,110	\$ 1,881,571	3,225,550.29	3,475,840.00	This number based off YTD projections form last 4 months since meter change out

DSS not included in revenues for budget purposes

DSS	\$ 69,490	\$ 92,653	\$ 105,000	\$ 60,196	\$ 103,193	\$ 103,324
Checker	\$ 2,310,489	\$ 3,080,652	\$ 3,317,110	\$ 1,941,767	\$ 3,328,743	\$ 3,579,164

Martin County Water District

2026 Fiscal Year Budget Estimate

Statement of Expenses in Dollars

	Budget 2022	Actual 2022	Budget 2023	Actual 2023	Budget 2024	Actual Thru Sep-24	Projected 2024	Budget 2025	Actual Thru Jul-25	YTD Projections	Budget 2026	Notes
Operating Expenses												
Employee Benefits	\$ -		\$ -		\$ -			\$ -				
Water Purchased	\$ 10,000	\$ 74,988	\$ 90,000	\$ 27,634	\$ 30,000	\$ 46,611	\$ 62,148	50,000	12	21		
Management & Operations Contract	\$ 2,022,084	\$ 2,022,084	\$ 2,022,084	\$ 2,022,084	\$ 2,022,084	\$ 1,516,563	\$ 2,022,084	\$ 2,022,084	\$ 1,144,549	\$ 1,962,084	\$ 2,178,898	The additional amount includes additional \$50K in maint and \$52,500 in chemicals This amount would be paid off with grants and/or from additional revenue
Past Due AWR Amount											\$ 150,000	
Repair Cap Overage									\$ 50,532	\$ 86,626	\$ -	
Chemical Cap overage									\$ 20,392	\$ 23,305	\$ -	
Utilities	\$ 325,523	\$ 375,427	\$ 335,000	\$ 228,442	\$ 335,000	\$ 201,323	\$ 268,431	335,000	166,103	189,832	325,000	Assumption is based off Raw Water project is complete and electric increase at RWI
Insurance	\$ 29,070	\$ 34,932	\$ 30,000	\$ 21,603	\$ 30,000	\$ 21,783	\$ 29,044	30,000	20,266	34,742	80,000	Property & Casualty Ins, D&O Policy, Treasurer's Bond
Repairs & Maintenance	\$ 40,000	\$ 47,065	\$ 60,000	\$ 439,087	\$ 110,000	\$ 304,464	\$ 405,952	425,000	53,011	90,876	60,000	Exclude RWI expense
Materials & Supplies	\$ 249					\$ -	\$ -					
Outside Services	\$ 3,243	\$ 630	\$ 3,000	\$ 663	\$ 1,000	\$ 37	\$ 49	1,000				
Legal Expenses	\$ 16,182	\$ 10,000	\$ 9,600	\$ 7,950	\$ 10,000	\$ 5,338	\$ 7,117	10,000	37,718	64,659	142,000	
Audit	\$ 8,000	\$ 7,950	\$ 8,000	\$ 7,985	\$ 8,000	\$ 8,125	\$ 10,833	8,000	8,250	14,143	10,000	
Bad Debts	\$ 54,999	\$ 30,948	\$ 50,000	\$ 50,000	\$ 45,000	\$ 33,750	\$ 45,000	45,000	26,250	45,000	45,000	
Bond Trustee Fees	\$ 675	\$ 450	\$ 500	\$ 900	\$ 500	\$ 900	\$ 1,200	500	450	771	500	
Admin Fees (Bonds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Dues	\$ 3,330	\$ 3,149	\$ 3,235	\$ 4,734	\$ 4,620	\$ 3,853	\$ 5,137	5,137	3,079	5,278	5,500	KRWA
Office Expense	\$ 3,344	\$ 2,676	\$ 2,732	\$ 4,452	\$ 4,130	\$ 4,909	\$ 6,545	5,000	2,980	5,109	5,000	
Rent Expense	\$ -	\$ 9,578	\$ 10,000	\$ 25	\$ 10,000	\$ 25	\$ 33	10,000	25	43	10,000	
Regulatory Assess Fees	\$ 9,692	\$ 4,214	\$ -	\$ 3,863	\$ -	\$ 4,703	\$ 6,271	6,271	5,037	8,635	10,000	
Permits	\$ 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
KY 811 Services	\$ -	\$ 1,274	\$ 1,500	\$ 2,036	\$ 1,500	\$ 1,629	\$ 2,172	1,500	981	1,682	2,000	
Taxes	\$ 7,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Miscellaneous Expense	\$ 2,708	\$ 735	\$ 652	\$ 980	\$ 660	\$ (589)	\$ (785)	1,000	5,089	8,724	8,000	
Additional Debt Service***										0	0	
Customer Deposit Interest		\$ 46	\$ 53	\$ 88	\$ 65	\$ 6,602	\$ 8,803	8,803	2,074	3,555	4,000	
Total Operating Expenses	\$ 2,536,672	\$ 2,626,146	\$ 2,626,303	\$ 2,822,526	\$ 2,612,494	\$ 2,160,026	\$ 2,880,035	\$ 2,955,492	\$ 1,546,798	\$ 2,545,085	\$ 3,035,898	13.1% (over prior budget)
Other Income (Expenses)												
Customer Deposit Interest Expense						(3,454)	(5,181)	(5,500)		0	0	
Debt Service Surcharge (Fee)	\$ 107,015	\$ 105,780	\$ 107,000	\$ 104,847	\$ 107,000	\$ -	\$ -	\$ 107,000	\$ -	\$ -	\$ 103,324	
Creditor Debt	\$ (107,000)		\$ (107,000)	\$ (104,847)	\$ (107,000)	\$ -	\$ -	\$ (107,000)	\$ -	\$ -	\$ -	
Interest Expense	\$ (80,458)	\$ (102,853)	\$ (100,000)	\$ (106,651)	\$ (100,000)	\$ (43,810)	\$ (58,413)	\$ (100,000)	\$ (51,311)	\$ (87,962)	\$ (90,000)	
Capital Contributions	\$ -	\$ 261,659	\$ -	\$ 311,760	\$ -	\$ 43,355	\$ 57,807	\$ -	\$ 1,424,952	\$ 2,442,775	\$ 12,759,000	
Interest Income	\$ -	\$ 2,060	\$ -	\$ 5,026	\$ -	\$ 2,377	\$ 3,169	\$ -	\$ 1,515	\$ 2,597	\$ 2,500	
Amortization	\$ 753	\$ 3,511	\$ 753	\$ (4,765)	\$ 753	\$ (5,482)	\$ (7,309)	\$ 753	\$ (5,084)	\$ (8,715)	\$ (11,621)	
Depreciation	\$ (780,000)	\$ (780,000)	\$ (780,000)	\$ (780,000)	\$ (780,000)	\$ (500,000)	\$ (666,667)	\$ (780,000)	\$ (434,583)	\$ (744,999)	\$ (780,000)	
Bond Issue Costs		\$ (47,422)										
Total Other Income (Expenses)	\$ (859,690)	\$ (557,265)	\$ (879,247)	\$ (574,630)	\$ (879,247)	\$ (503,560)	\$ (671,413)	\$ (879,247)	\$ 935,489	\$ 1,603,695	\$ 11,983,203	

Current Customer Count = 3,485

Martin County Water District
2026 Fiscal Year Budget Estimate

Debt Schedule

Debt	Budget 2019	Budget 2020	Projected 2020	Scheduled 2021	Scheduled 2022	Scheduled 2023	Scheduled 2024	Budget 2025	Budget 2026	Notes
Notes Payable - KIA										
Principal	\$53,007	\$54,620	\$54,620	\$56,281	\$56,281	\$56,281	\$56,281	\$0		Payments made monthly Paid off 1/31/2024
Interest	\$14,440	\$12,827	\$12,827	\$11,166	\$11,166	\$11,166	\$11,166	\$0		
Admin Fee	\$963	\$855	\$855	\$744	\$744	\$744	\$744	\$0		
KIA N/P Total	\$68,410	\$68,302	\$68,302	\$68,191	\$68,191	\$68,191	\$68,191	\$0		
Loan Payable - KIA										
Principal							\$56,324	\$67,589	\$67,589	Payments made monthly \$0 interest loan
Interest							\$0	\$0	\$0	
Admin Fee							\$0	\$0	\$0	
KIA Total	\$0	\$0	\$0	\$0	\$0	\$0	\$56,324	\$67,589	\$67,589	
Lease Purchase - Magnolia										
Principal									\$46,084	Payments made monthly
Interest									\$10,201	
Lease Purchase - Magnolia Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$56,285	
KACO Lease Payable -Generators										
Principal									\$0	interest paid monthly principal due 4/20/27
Interest									\$69,550	
KACO Lease Payable -Generators	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,550	
Lease Payable - KACO										
Principal	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$11,222		Principal due 3/20 each year payoff 3/20/25
Interest	\$5,763	\$4,910	\$4,910	\$3,968	\$3,968	\$3,968	\$1,277	\$288		
KACO Lease Payable Total	\$15,763	\$19,910	\$19,910	\$18,968	\$18,968	\$18,968	\$18,968	\$11,510		
Bonds Payable - 2015 E Current Refunding										
Principal	\$55,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$65,000	\$70,000	\$70,000	Principal is due 1/1 so funded in p/yr
Interest	\$68,939	\$67,784	\$67,784	\$65,324	\$65,324	\$65,324	\$57,739	\$55,724	\$53,554	
2015 E Current Refunding Total	\$123,939	\$127,784	\$127,784	\$125,324	\$125,324	\$125,324	\$125,324	\$125,724	\$123,554	
Total Debt - All Issues	\$74,173	\$73,212	\$215,995	\$72,159	\$72,159	\$72,159	\$212,483	\$204,823	\$316,978	
Total Interest Expense	\$24,440	\$27,827	\$85,521	\$26,166	\$26,166	\$26,166	\$80,458	\$56,012	\$133,305	
Total Admin Fees Expense	\$963	\$855	\$855	\$744	\$744	\$744	\$744	\$0	\$0	

Martin County Water District

2026 Fiscal Year Budget Estimate

Capital Improvements
Water System, Sewer System, Machinery and Equipment

	2026 Budget	Projects Beyond 26	Funding Source	Current Funded Projects	Description	Project
Water System Improvements						
Service Debt	\$ 3,294,561		KY Wwaters		To pay off existing debt the water district has.	
Tank Inspections and Painting	\$ 100,000		KY Wwaters		System Tanks needed inspected and money needed for repairs after inspections -2K per tank, 20K - a another 50K for paint - 30K for repairs	
Trucks / Equipment (Water)	\$ 300,000		KY Wwaters		This would allow the district to purchase a crane truck to be used to help set pumps and motors. It also calls for the replacement of an excavator and trucks that are already past their replacement cost	
Water System Controls and Raw Water Modifications Phase III	\$ 2,963,892		KY Wwaters		This project would include rehabilitating clarifier number 2, doing site work at the raw water intake and replacing some water main and service lines in the distribution system. Valve work at Reservoir	
292 Booster Station & Water Line Replacement	\$ 10,000,000		KY Wwaters		This would be replacing an underground pump station with above ground which prevents the station from flooding. This would include installing a flow meter which would help with water loss program. Project would also include adding redundancy to the booster station.	
Daveila Pump Station and Line Replacement	\$ 3,000,000		KY Wwaters		One working pump, needs new control panel and system, new cables - New Building, Line replacement from Daveila road to pump station	
Coldwater Line Replacement Phase II	\$ 3,419,000				This would complete the improvement project to eliminate multiple main lines and have all the customers connected to one water main. Current jumpers are in place which makes water loss impossible to manage. This also adds additional water main valves which will help isolate leaks and control water loss.	
Inez Water Line & Valve Replacement	\$ 5,000,000				This line and replacement project would address one of the oldest sections of infrastructure in the system. The lines are AC and needs to be replaced. This project would also replace valves in the system that are currently not operating and install new valves to help better isolate the system.	
Invariant and Flush Install / Replacement	\$ 1,000,000				Inspect, replace and repair existing and install new as needed to perform effective flush program and provide adequate fire protection	
Chemical Feed at Inez WTP (room, bulk tank and system)	\$ 1,100,000				New building for chemicals feed systems and bulk tanks	
Buffalo Horn Water Line Replacement & Booster Station Rehab	\$ 2,196,000				This would be replacing an underground pump station with above ground which prevents the station from flooding. This would include installing a flow meter which would help with water loss program. Project would also include adding redundancy to the pump station.	
Turkey Water Line Replacement	\$ 6,822,000				This project would be replacing aging infrastructure where we have routine water leaks. It also would include adding additional valves and meters to help with the water loss program.	
Meathouse Water Line Replacement & Booster Station Rehab	\$ 7,682,000				This project would address redundancy issues in the pump station as well as replacing the water mains in the service area. This area is also prone to power outages and this would provide back up power and improve the communication to the SCADA system.	
Big Elk Water Line Replacement & Booster Station Rehab	\$ 2,433,000				This would be replacing an underground pump station with above ground which prevents the station from flooding. This would include installing a flow meter which would help with water loss program. Project would also include adding redundancy to the pump station.	
Redundancy Turkey Creek Pump	\$ 100,000				Currently only one pump - this feeds from WTP	
On-line Monitoring Equipment/SCADA Upgrades	\$ 900,000				The current SCADA system has limitations. This will upgrade and allow for better communications.	
Copper Sulfate Feed System at Reservoir	\$ 100,000				Provides the ability to treat the source water at the reservoir.	
Hode Water Line Replacement	\$ 5,226,000				Replace all main and service lines within the pressure zone.	
Peter Cave Water Line Replacement & Booster Station Rehab	\$ 1,457,000				This would be replacing an underground pump station with above ground which prevents the station from flooding. This would include installing a flow meter which would help with water loss program. Project would also include adding redundancy to the pump station.	
Big Elk Water Line Replacement & Booster Station Rehab	\$ 1,877,000				The existing station has only one functional pump. This project would add redundancy and also address the SCADA and communication issues within the pressure zone.	
Creek Crossing Replacement	\$ 1,000,000				This project would be to bore new water mains through the major creek crossings in the distribution system.	
Cassell Branch Water Line Replacement & Booster Station Rehab	\$ 1,574,000				This project would be to add redundancy to the existing pump station. Also would be used to add SCADA and communication into the tank.	
Spicy Mountain Water Line Extension	\$ 4,200,000				Run water to 6 customers, new tanks and bell into Palmsville Water System	
Wolf Creek/Pigeon Roost Water Line Replacement	\$ 1,315,000				This area has been prone to multiple breaks yearly. This would be to replace the poorly constructed water lines.	
High School Pump Station Check Valve	\$ 81,000				This would give the system the possibility of providing water to other parts of the system with attitude and check valves.	
Sludge Management WTP	\$ 900,000				Build press building for sludge management at water plant	
Distribution Building and Pipe Yard	\$ 900,000				Currently staff is working out of old trailer and has nowhere to store parts.	
Kerritt Tie-In	\$ 250,000				This project would reestablish the tie in to the Kerritt water system which creates an emergency feed for both systems.	
645 Water Line Replacement & Booster Station Rehab	\$ 1,285,000				This would be replacing an underground pump station with above ground which prevents the station from flooding. This would include installing a flow meter which would help with water loss program. Project would also include adding redundancy to the pump station.	
Water Plant High Service Pump Replacement	\$ 830,000				This would be to replace the current high service pumps in the Inez water plant. The pumps have not been pulled in years and are quickly approaching their run life. This would include a contractor replacing in place.	
Water Distribution System Improvements	\$ 1,500,000				This project would be to install valves throughout the system to help with the water loss program. It also includes adding new valves on the pier at the reservoir and a tie in at 292 to Big Elk water mains.	
Old Rt. 3 - Water Improvement Project			Funded	\$2,533,000.00	This improvement project would eliminate multiple main lines and have all the customers connected to one water main. Current jumpers are in place which makes water loss impossible to manage. This also adds additional water main valves which will help isolate leaks and control water loss.	
Martin County Water System Master Plan			Funded	\$230,000.00	The district needs a comprehensive evaluation of the entire system. This would help determine the long term solution for the raw intake, treatment plant, needs, tanks, and distribution lines. This study would also determine the long term sludge disposal from the water treatment plant.	
FEMA Backup Generators			Funded	\$1,320,000.00	This is the purchase of new generators at 40E and 40W pump stations and a portable generator for other locations as needed. This is reimbursement funding need to find the up front loan	
Orto Brown Booster Station, Line Replacement to Middlefork Tank, Daveila Booster Station Upgrade			Funded	\$2,000,000.00	This project would allow the water system to be able to match the capacity of water being sent to the prison. Currently when the Daveila pump station is running, it out pumps the Orto Brown pump station and drops the tank. This would also give the station redundancy with multiple pumps pumping to all tanks. Currently only one pump is in the pump station.	
Coldwater Line Replacement Phase I			Funded	\$5,000,000.00	This improvement project would eliminate multiple main lines and have all the customers connected to one water main. Current jumpers are in place which makes water loss impossible to manage. This also adds additional water main valves which will help isolate leaks and control water loss.	
Rt. 40E - Water Improvement Project			Funded	\$975,000.00	This improvement project would eliminate multiple main lines and have all the customers connected to one water main. Current jumpers are in place which makes water loss impossible to manage. This also adds additional water main valves which will help isolate leaks and control water loss.	
Reco/Repair - 50K Gallon Turkey Water Storage Tank			Funded	\$681,000.00	This includes repairing tank deficiencies and installing security measures	
Sub-Total Water System Improvements	\$ 19,458,413	\$ 51,897,000			\$12,758,000.00	

Infrastructure Improvements		
Doors for Valve Vaults	\$ 10,000	Funded From Cash if Available
Booster Stations - Building Repairs and/or Replacement	\$ 10,000	Funded From Cash if Available
Pump and Motor Replacements	\$ 60,000	
Sub-Total Building and Land Improvements	\$ 80,000	

New Daveila Motor and Pump,

Machinery and Equipment		
Excavator w/Trailer (Mini w/attachments)	\$ 70,000	Funded From Cash if Available
3/4 ton 4x4 tool truck with Hoist, Generator, and Comp	\$ 120,000	Funded From Cash if Available
(3) Passenger Truck 4x4	\$ 150,000	Funded From Cash if Available
Road Bore Machine	\$ 15,000	Funded From Cash if Available
Online Turbidimeters and Controller	\$ 24,000	Funded From Cash if Available
Level Probes for Filter 4 and 5	\$ 15,000	Funded From Cash if Available
Sub-Total Machinery and Equipment	\$ 394,000	

2026 Improvements From Funding Agencies	\$ 19,458,413
2025 Improvements Funded From Cash	\$ 474,000
CIP Beyond Expected 2026	\$ 51,897,000
Current Funded Projects	\$ 12,759,000
Grand Total for 2025 Capital Improvements	\$ 84,588,413
