

CERTIFICATE OF ORDER

**STATE OF TEXAS
COUNTY OF MONTGOMERY
FAR HILLS UTILITY DISTRICT**

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We, the undersigned officers of the Board of Directors (the "Board") of **FAR HILLS UTILITY DISTRICT** (the "District"), hereby certify as follows:

The Board convened in regular session, open to the public, on Thursday, December 8, 2022, at 5:00 p.m., at 10320 Cude Cemetery Road, Willis, Texas 77378, and the roll was called of the members of the Board, to-wit:

Jim Haymon	President
Christopher Kuhl	Vice President/Tax Compliance Officer
Melinda M. Shelly	Secretary
David Bock	Assistant Secretary
J. Richard Cutler	Director

All members of the Board were present, thus constituting a quorum. Whereupon other business, the following was transacted at such Meeting: A written

ORDER ADOPTING BUDGET FOR FISCAL YEAR ENDING DECEMBER 31, 2023

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and after full discussion, such motion, carrying with it the adoption of such Order prevailed, carried, and became effective by the following vote:

AYES: 5 **NOES:** 0

A true, full and correct copy of the aforesaid Order adopted at the Meeting described in the above foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board are duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of the officers and members consented, in advance, to the holding of such Meeting for such purpose; and such Meeting was open to the public and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551, Texas Government Code and Section 49.063, Texas Water Code, as amended.

ORDER ADOPTING BUDGET FOR FISCAL YEAR ENDING DECEMBER 31, 2023

STATE OF TEXAS §
COUNTY OF MONTGOMERY §
FAR HILLS UTILITY DISTRICT §

WHEREAS, Far Hills Utility District (the "District") is a political subdivision of the State of Texas created pursuant to Article XVI, Section 59, Texas Constitution, and operating under the provisions of Chapters 49 and 51, Texas Water Code; and

WHEREAS, pursuant to Section 49.199(a), Texas Water Code and the rules and regulations of the Texas Commission on Environmental Quality, the District is required to adopt an annual budget for each fiscal year; and

WHEREAS, the Board of Directors of the District has previously determined that the District's fiscal year will be January 1 through December 31 of each year.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF FAR HILLS UTILITY DISTRICT:

1. That the recitals contained herein above are found to be true and correct.
2. That the District hereby adopts the budget set forth on the attached **Exhibit "A"** as its annual budget for the fiscal year ending December 31, 2023.
3. That this Order shall be effective immediately upon its adoption.

* * * * *

WITNESS OUR HANDS AND THE SEAL OF THE DISTRICT this 8th day of December, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors



EXHIBIT A

3RD DRAFT
ADOPTED 12/08/22

FAR HILLS UTILITY DISTRICT
Proposed Budget 2023
12/8/22

Revenue :	11 months					PROPOSED	variance	percentage
	2022 Budget	Actual YTD	Budget MTD	Budget YTD	Projected	2023 Budget		
Water Revenue	245,000.00	305,502.94	20,416.67	224,583.33	333,275.93	325,000.00	80,000.00	
Sewer Revenue	250,000.00	284,082.21	20,833.33	229,166.67	309,907.87	310,000.00	60,000.00	
New connect/Reconnect Fee	15,000.00	15,516.38	1,250.00	13,750.00	16,926.96	15,000.00	0.00	
Penalty & Interest	4,500.00	5,337.07	375.00	4,125.00	5,822.26	4,500.00	0.00	
SJRA Fee Revenue	5,000.00	6,719.08	416.67	4,583.33	7,329.91	5,000.00	0.00	
Interest Earned	700.00	38,735.25	58.33	641.67	42,256.64	700.00	0.00	
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Water/Sewer Revenue-WGB RV	30,000.00	27,500.00	2,500.00	27,500.00	30,000.00	30,000.00	0.00	
Otr Billing WGB Park	10,000.00	6,361.86	833.33	9,166.67	6,940.21	10,000.00	0.00	
Trans from CA-WWTP Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Maintenance Tax	713,225.00	563,632.92	59,435.42	653,789.58	614,872.28	786,062.00	72,837.00	
Tap Connections	60,000.00	70,209.99	5,000.00	55,000.00	76,592.72	60,000.00	0.00	
	1,333,425.00	1,323,597.70	111,118.75	1,222,306.25	1,443,924.76	1,546,262.00	212,837.00	15.96%
Expenses :	Annual \$	Actual YTD	Budget MTD	Budget YTD	Projected	Annual \$	variance	
Computer Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Director Fees	17,000.00	15,550.00	1,416.67	15,583.33	16,963.64	17,000.00	0.00	
Sec/Monthly Minutes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Payroll Tax	1,200.00	1,156.18	100.00	1,100.00	1,261.29	1,200.00	0.00	
Legal Fees	55,000.00	42,797.47	4,583.33	50,416.67	46,688.15	55,000.00	0.00	
Legal Fees -Special	5,000.00	398.75	416.67	4,583.33	435.00	500.00	(4,500.00)	
Legal -Election	5,000.00	3,377.64	416.67	4,583.33	3,684.70	5,000.00	0.00	
Election Expense	10,000.00	0.00	833.33	9,166.67	0.00	0.00	(10,000.00)	
Publication Legal Notices	5,000.00	0.00	416.67	4,583.33	0.00	5,000.00	0.00	
Audit	23,000.00	21,750.00	1,916.67	21,083.33	21,750.00	23,000.00	0.00	
Audit-Special	0.00	2,000.00	0.00	0.00	2,181.82	0.00	0.00	
Engineering	55,000.00	49,996.41	4,583.33	50,416.67	54,541.54	55,000.00	0.00	
Lab Expenses-WTR	6,000.00	7,306.25	500.00	5,500.00	7,970.45	9,700.00	3,700.00	
Lab Expenses-SWR	14,500.00	16,323.40	1,208.33	13,291.67	17,807.35	17,800.00	3,300.00	
Permit Fees	9,000.00	65.17	750.00	8,250.00	71.09	9,000.00	0.00	
Operator Fees	38,000.00	37,346.65	3,166.67	34,833.33	40,741.80	43,000.00	5,000.00	
Operator-Billing Fees	22,000.00	14,067.00	1,833.33	20,166.67	15,345.82	22,000.00	0.00	
Operator Admin Fees	11,000.00	11,278.98	916.67	10,083.33	12,304.34	11,000.00	0.00	
Operator Fees-WWTP	28,800.00	26,400.00	2,400.00	26,400.00	28,800.00	28,800.00	0.00	
Bookkeeping/Mgr Fees	27,000.00	27,185.00	2,250.00	24,750.00	29,656.36	27,000.00	0.00	
Office Exp/Bank Chgs.	22,000.00	25,290.45	1,833.33	20,166.67	27,589.58	22,000.00	0.00	
R & M-WWTP/Dumpster	75,000.00	59,920.25	6,250.00	68,750.00	65,367.55	75,000.00	0.00	
Rep. & Maint-L/S & Sewer	80,000.00	66,322.26	6,666.67	73,333.33	66,322.26	80,000.00	0.00	
Rep. & Maint-WTR & General	110,000.00	203,367.88	9,166.67	100,833.33	203,367.88	115,000.00	5,000.00	
Rep. & Maint-Admin Bldg	8,500.00	1,871.81	708.33	7,791.67	1,871.81	8,500.00	0.00	
R&M-GST/Cooling Tower Rehab	125,000.00	123,533.00	10,416.67	114,583.33	123,533.00	45,000.00	(80,000.00)	
Rep. & Maint-SS-Smoke Test	30,000.00	0.00	2,500.00	27,500.00	0.00	30,000.00	0.00	
R & M - Flushing.	3,000.00	0.00	250.00	2,750.00	0.00	3,000.00	0.00	
R & M - Landscaping/mowing	15,000.00	1,980.00	1,250.00	13,750.00	2,160.00	15,000.00	0.00	
R & M - Office Bldg cleaning	3,200.00	1,028.22	266.67	2,933.33	1,121.89	3,200.00	0.00	
Sludge Removal	14,000.00	24,318.72	1,166.67	12,833.33	26,529.51	15,000.00	1,000.00	
Inspection Fees-special	0.00	5,281.00	0.00	0.00	5,761.09	0.00	0.00	
Water Tap Expense	40,000.00	32,240.00	3,333.33	36,666.67	35,170.91	40,000.00	0.00	
Sewer Tap Expense	20,000.00	3,740.00	1,666.67	18,333.33	4,080.00	20,000.00	0.00	
Water/Sewer Inspects	7,000.00	5,809.00	583.33	6,416.67	6,337.09	7,000.00	0.00	
Water Meter Replacements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Chemicals-Water	15,000.00	19,632.21	1,250.00	13,750.00	21,416.96	21,000.00	6,000.00	
Chemicals-Sewer	5,000.00	5,623.40	416.67	4,583.33	6,134.62	7,000.00	2,000.00	
R & M-District Fence	0.00	7,005.16	0.00	0.00	7,641.99	0.00	0.00	
Utilities-Off/Whse	5,000.00	3,093.03	416.67	4,583.33	3,374.21	5,000.00	0.00	
Utilities-WP	30,000.00	22,256.58	2,500.00	27,500.00	24,279.91	30,000.00	0.00	
Utilities-L/S	15,000.00	8,524.70	1,250.00	13,750.00	9,299.67	15,000.00	0.00	
Utilities-WTTP	25,000.00	23,498.80	2,083.33	22,916.67	25,635.05	25,000.00	0.00	
Telephone	6,000.00	7,482.18	500.00	5,500.00	8,162.38	6,000.00	0.00	
Insurance & Bonds	24,000.00	26,925.72	2,000.00	22,000.00	26,925.72	24,000.00	0.00	
Travel Expense	12,000.00	9,084.34	1,000.00	11,000.00	9,910.19	12,000.00	0.00	
SJRA-Lone Star Gr-QTR fees	0.00	4,881.84	0.00	0.00	5,325.64	0.00	0.00	
SJRA Fees	8,000.00	19,696.32	666.67	7,333.33	21,486.89	8,000.00	0.00	
TCEQ Fees	3,500.00	3,636.48	291.67	3,208.33	3,967.07	3,500.00	0.00	
Security Monitoring/Cameras	6,000.00	0.00	600.00	5,500.00	0.00	6,000.00	0.00	
Financial Advisor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Meter Program (10 YR) Lease	14,630.00	14,630.60	1,219.17	13,410.83	14,630.60	14,630.00	0.00	
Contingency	5,000.00	0.00	416.67	4,583.33	0.00	5,000.00	0.00	
Computer/internet expense	7,500.00	3,830.45	625.00	6,875.00	4,178.67	7,500.00	0.00	
Misc./Org Dues/IRS Notif	1,500.00	2,257.53	125.00	1,375.00	2,462.76	1,500.00	0.00	
	1,068,330.00	1,013,760.83	89,027.50	979,302.50	1,064,248.06	999,830.00	(68,500.00)	-6.41%
Net Surplus or (Deficit)	265,095.00	309,836.87			379,676.70	546,432.00	281,337.00	106.13%

2022 M/O per F/A estimated Tax Levy @ 98%
M/O .2850