BLACK ROCK UTILITIES

Distribution of 2024 Operating and Reserve Budgets
Important Updates and Exciting News

November 30, 2023

Dear Black Rock Utility Members,

I hope this letter finds you well and ready for the upcoming year. Enclosed, you will find the finalized budgets for 2024, covering both our Operating and Reserve Accounts. These budgets aim to maintain the stability and continuity of our financial plans from the previous year.

In addition to this, I am excited to share some promising news with you. Our management team is diligently working on launching a new Black Rock Utilities website, scheduled to go live towards the end of the first quarter. This enhanced online platform will introduce various features, including the capability to accept credit card payments.

This website upgrade will also provide a dedicated space for posting important notices, ensuring that we can keep our members well-informed on utility matters. Our commitment to transparency and communication is paramount, and this addition will serve as a valuable resource for sharing essential information with the community.

Additionaly, I want to highlight that our management team, in collaboration with the Board of Directors, is actively exploring opportunities to enhance the current method of irrigation water allocation. This effort is geared towards aligning our community more closely with the requirements outlined in our permit from the Idaho Department of Water Resources (IDWR). Detailed information on these enhancements is anticipated towards the first part of the year.

As always, your feedback is invaluable to us. Should you have any questions or suggestions, please do not hesitate to reach out to Christie Boss, BRU Accounting Manager at christie@accountingcda.com or (208) 651-0317.

Thank you for your continued support.

Best Regards,

The Black Rock Utilities Management Team

BLACK ROCK UTILITIES

UTILITY SCHEDULE OF RATES AND FEES

AS OF JANUARY 1, 2023

Valid through March 31, 2024

Quarterly Fees

Standby Fee

(Utility Infrastructure is in place, but has not been connected)

	Monthly Rate	Quarterly Rate	
Standby Irrigation Fee	$24.84	$74.52	per ERU
Standby Potable Fee	$21.60	$64.80	per ERU
Standby Sewer/Waste Water	$61.56	$184.68	per ERU
Total Standby Fee	**$108.00**	**$324.00**	

Service Fee

(Utility Infrastructure in in place and has been connected)

	Monthly Rate	Quarterly Rate	
Metered Irrigation Fee	$32.40	$97.20	per IU
Metered Potable Fee	$27.00	$81.00	per ERU
Sewer/Waste Water	$77.76	$233.28	per ERU
Total Service Fee (Per IU)	**$137.16**	**$411.48**	

Overage Charges

Potable Water Overage Rates

Gallons of Use per Month	Overage Fees
0-4,000 Gallons	Included
4,001 - 6,000 Gallons	$1.87 per 1,000 Gallons
6,001 - 10,000 Gallons	$2.48 per 1,000 Gallons
Over 10,001 Gallons	$3.73 per 1,000 Gallons

Irrigation Water Overage Rates

Gallons of Use Per Month	Overage Fee	Overage Fine
1 - 50,000 Gallons over Allotment	$2.48 per 1,000 Gallons	N/A
50,001 - 100,000 Gallons over Allotment	$3.74 per 1,000 Gallons	$100.00
100,001 - 150,000 Gallons Over Allotment	$3.74 per 1,000 Gallons	$150.00
150,001 - 200,000 Gallons Over Allotment	$3.74 per 1,000 Gallons	$200.00
Over 200,000 Gallons Over Allotment	$3.74 per 1,000 Gallons	$500.00

Golf Course Irrigation

Golf Course Irrigation Rate

All Gallons Used	$0.58 per 1,000 Gallons

Other Charges

Late Payment Charge: $10.00 or 4% of delinquent amount, whichever is greater, and admin cost of $35.00 per month

Returned Check Charge: $30.00 per occurance

Liens placed on Delinquent Properties: $350.00 per filing

** The complete schedule of BRU's Rates & Fees can be requested by emailing christie@accountingcda.com**

Black Rock Utilities Inc

Income & Expense Budget Worksheet - OPERATING

2024

	Approved 2024 Budget
Ordinary Income/Expense	
Income	
4000 · Standby Fee Income	
4002 · BRHOA Base Standby Fee	300,672.00
4003 · RCI Standby Fee	143,856.00
4004 · RCI Standby w/o Infrastructure	8,960.00
Total 4000 · Standby Fee Income	453,488.00
4050 · Service Fee Income	
4056 · BRHOA Base Service Fee	315,648.00
4057 · RCI Service Fee	97,020.00
4058 · BR Irrigation Pond Service Fee	
4058.1 · BR Qtr. Irrigation Pond Fees	67,600.00
4058.2 · BR Qtr Optioned Irrigation Pond	-67,600.00
Total 4058 · BR Irrigation Pond Service Fee	0.00
4059 · RCI Irrigation Pond Service Fee	
4059.1 · RC Qtr. Irrigation Pond Fees	3,120.00
4059.2 · RC Qtr Optioned Irrigation Pond	-3,120.00
Total 4059 · RCI Irrigation Pond Service Fee	0.00
Total 4050 · Service Fee Income	412,668.00
4060 · Golf Course Water	
4061 · BRHOA Golf Course	20,000.00
4062 · RCI Golf Course	26,000.00
Total 4060 · Golf Course Water	46,000.00
4070 · Over-Use Income	
4071 · BRHOA Overage	20,000.00
4072 · RCI Overage	5,000.00
Total 4070 · Over-Use Income	25,000.00
Total Income	937,156.00
Gross Profit	937,156.00
Expense	
5200 · General Expenses	
5100 · Bank maintenance fee	200.00
5202 · Printing and Reproduction	8,000.00
5203 · Postage and Delivery	2,000.00
5204 · Off-site Storage of Records	300.00
Website Development & Maintenance	8,000.00
Total 5200 · General Expenses	18,500.00
6100 · Insurance	
6101 · D&O Policy	2,304.00
6110 · Commerical Insurance Coverage	20,500.00
6111 · Boiler & Machinery Policy	60,020.64

Black Rock Utilities Inc

Income & Expense Budget Worksheet - OPERATING

2024

Total 6100 · Insurance	82,824.64
6150 · Professional Fees	
6155 · Accounting Management Fees	44,400.00
6156 · Accounting - CPA	1,425.00
6157 · Administrative Fees	10,000.00
6162 · Legal (Attorney fees)	5,000.00
6166 · Utility Management Fees	93,000.00
6168 · Meter Readings / Software	1,300.00
6170 · Consulting	1,000.00
Total 6150 · Professional Fees	156,125.00
6200 · Operations	
6201 · Monthly Operations Fee	159,000.00
6202 · On-Site Operations Labor/Travel	5,000.00
6203 · Water Testing	9,000.00
6204 · Waste Water System Repairs	20,000.00
6206 · Utility Potable Repair/Service	20,000.00
6207 · Generator Service	12,000.00
6208 · Snow Removal	500.00
6210 · Utility Irrigation Repair/Serv.	20,000.00
6213 · Service Partnership	2,600.00
Total 6200 · Operations	248,100.00
6500 · Utilities	
5206 · Telephone	2,500.00
6501 · Electrical	145,000.00
6503 · Chlorine	10,000.00
6506 · Supplies	5,000.00
Total 6500 · Utilities	162,500.00
6600 · Taxes, Licenses & Assessments	
6602 · State Taxes	30.00
6603 · Property Tax	1,200.00
6604 · Engineer - Special Reports	25,000.00
6620 · License, Permits, Eng & Testing	10,000.00
Total 6600 · Taxes, Licenses & Assessments	36,230.00
6880 · Working Capital & Reserves	
6810 · Budgeted Transfer to Reserve	230,000.00
Total 6880 · Working Capital & Reserves	230,000.00
Total Expense	934,279.64
Net Ordinary Income	2,876.36
Net Income	**2,876.36**

Black Rock Utilities Inc
Income & Expense Budget Worksheet - RESERVE
2024

	Approved 2024 Budget
Ordinary Income/Expense	
Income	
4000 · Income	
4001 · Reserve Income	
4002 · Reserve Fund Income	230,000.00
4005 · Rate Surcharge - 2022 - Pond #6	70,720.00
Total 4001 · Reserve Income	300,720.00
Total 4000 · Income	300,720.00
Total Income	300,720.00
Gross Profit	300,720.00
Expense	
7600 · Interest Expense	56,400.00
8000 · Reserves	
8004 · Other Capital Expenditures	
8004.1 · Control Panel Housing	50,000.00
Total 8004 · Other Capital Expenditures	50,000.00
8003 · Wastewater Capital Expenditures	
8003.1 · 36" Piezometer Additions	30,000.00
8003.3 · Permit Renewal	20,000.00
8003.4 · Sand Filter Service & Repair	2,500.00
Additional Meter at WWTP	30,000.00
PER WW Treatment Alternatives	75,000.00
PER for STEP Package & Approval	20,000.00
CNR Lift Station	30,000.00
Total 8003 · Wastewater Capital Expenditures	207,500.00
8001 · Irrigation Capital Expenditures	
8001.1 · CDAN Pond #2 Fire Flow Controls	20,000.00
Lake System Engineering & Design	50,000.00
Other Irrigation Upgrades & Improvements	30,000.00
Total 8001 · Irrigation Capital Expenditures	100,000.00
8002 · Potable Capital Expenditures	
8002.1 · BR Critical Spare Pump	8,500.00
8002.2 · Permanent Backup Generator	75,000.00
8002.3 · Replace VFD Main Estates Pump	3,000.00
Pump House Upgrade at BR Flats	20,000.00
Other Potable Upgrades & Improvement	10,000.00
Total 8002 · Potable Capital Expenditures	116,500.00
Total 8000 · Reserves	474,000.00
Total Expense	530,400.00
Net Ordinary Income	-229,680.00
Income	**-229,680.00**
	-153,786.96
	-383,466.96