

The background features a vertical gradient from pink at the top to green at the bottom. In the corners, there are decorative white lines resembling a circuit board, with small circles at the end of the lines.

**KEMPNER WATER SUPPLY
CORPORATION
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FINANCIAL REPORT**

MARCH 2026

KEMPNER WATER SUPPLY CORPORATION

MARCH 2026

INCOME

REVENUE	\$ 1,209,479
EXPENSE	\$ 771,605
NET REVENUE	\$ 437,874

Kempner Water Supply Corporation
Profit & Loss
 March 2026

	<u>Mar 26</u>
Ordinary Income/Expense	
Income	
40000 · Water Sales	709,414.85
40180 · Income from meters	11,725.00
40790 · Salado WSC Payment	48,413.49
40900 · City of Lampasas Payment	101,531.69
40960 · Field Operating Costs-Income	0.00
41300 · Professional Fees-Income	150.00
Total Income	<u>871,235.03</u>
Gross Profit	871,235.03
Expense	
60000 · Expense- General Budget	
60050 · Adminstration	18,711.30
60055 · Field & Plant Operating Costs	49,178.37
60100 · Utilities	48,432.18
60250 · Payroll Expenses	142,398.77
61150 · Professional Fees	843.48
61700 · Insurance	42,032.37
62010 · CTWSC Payments	68,783.17
62499 · BRA Payments	62,258.65
63198 · Pass Thru Expenses	1,508.61
63210 · Taxes Fees	71.00
63410 · Continuing Education	2,342.04
Total 60000 · Expense- General Budget	<u>436,559.94</u>
Total Expense	<u>436,559.94</u>
Net Ordinary Income	434,675.09
Other Income/Expense	
Other Income	
41915 · CoBank Investment Dividends	284,002.91
41600 · Other Income	400.00
40700 · Interest	53,841.24
Total Other Income	<u>338,244.15</u>
Other Expense	
63520 · Interest Expense	102,632.31
69750 · Loss on Marketable Securities	34,452.01
62700 · Depreciation Expense	197,960.58
Total Other Expense	<u>335,044.90</u>
Net Other Income	3,199.25
Net Income	<u><u>437,874.34</u></u>

**KEMPNER WATER SUPPLY
CORPORATION
REVENUE & EXPENSE COMPARISON
MARCH 2026 YTD**

OPERATIONS INCOME	\$ 5,397,769
INTEREST INCOME	196,892
OTHER INCOME	7,493
M/S EARNINGS	23,185
CAPITAL CONTRIBUTIONS	18,492
COBANK INVESTMENT	284,003
REVENUE:	\$ 5,927,834

OPERATING EXPENSES	
BEFORE DEPRECIATION	\$ 3,041,959
INTEREST ON LOAN	667,286
DEPRECIATION	1,187,763
M/S LOSS	41,115
EXPENSE:	\$ 4,938,123

NET REVENUE **\$ 989,711**

DEBT PRINCIPAL **\$ 662,638**

Kempner Water Supply Corporation

Profit & Loss Budget vs. Actual

Year to Date

Oct 26-

6

	March	Budget	% of Budget	YTD Annualized	Variance
Ordinary Income/Expense					
Income					
40000 · Water Sales	4,595,152.31	10,389,739.20	44.23%	9,190,305	(1,199,435)
40180 · Income from meters	89,550.00	225,500.00	39.71%	179,100	(46,400)
40790 · Salado WSC Payment	226,918.33	400,000.00	56.73%	453,837	53,837
40900 · City of Lampasas Payment	484,997.91	854,763.64	56.74%	969,996	115,232
40960 · Field Operating Costs-Income	0.00	15,000.00	0.0%	-	(15,000)
41300 · Professional Fees-Income	1,150.00	15,000.00	7.67%	2,300	(12,700)
Total Income	5,397,768.55	11,900,002.84	45.36%	10,795,537	(1,104,466)
Gross Profit	5,397,768.55	11,900,002.84	45.36%	10,795,537	(1,104,466)
Expense					
60000 · Expense- General Budget					
60050 · Administration	184,155.27	373,500.00	49.31%	368,311	(5,189)
60055 · Field & Plant Operating Costs	355,992.30	1,426,600.00	24.95%	711,985	(714,615)
60100 · Utilities	317,804.65	794,000.00	40.03%	635,609	(158,391)
60250 · Payroll Expenses	964,812.71	2,128,104.46	45.34%	1,929,625	(198,479)
61150 · Professional Fees	50,904.73	201,000.00	25.33%	101,809	(99,191)
61700 · Insurance	258,833.48	578,639.04	44.73%	517,667	(60,972)
62010 · CTWSC Payments	477,061.12	1,002,000.00	47.61%	954,122	(47,878)
62499 · BRA Payments	373,551.90	941,815.00	39.66%	747,104	(194,711)
63198 · Pass Thru Expenses	51,957.24	76,000.00	68.37%	103,914	27,914
63210 · Taxes Fees	1,146.88	4,150.00	27.64%	2,294	(1,856)
63410 · Continuing Education	5,738.95	24,000.00	23.91%	11,478	(12,522)
Total 60000 · Expense- General Budget	3,041,959.23	7,549,808.50	40.29%	6,083,918	(1,465,890)
Total Expense	3,041,959.23	7,549,808.50	40.29%	6,083,918	(1,465,890)
Net Ordinary Income	2,355,809.32	4,350,194.34	54.15%	4,711,619	361,424
Other Income/Expense					
Other Income					
41732 · Capital Contributions	18,492.10	0	100.0%	36,984	36,984
41925 · Gain-Sale of CCN Rights		15,000.00	0.0%	-	(15,000)
41915 · CoBank Investment Dividends	284,002.91	275,000.00	103.27%	568,006	293,006
41600 · Other Income	7,493.23	6,000.00	124.89%	14,986	8,986
41922 · Gain-Sale of Vehicles/Equipment		3,000.00	0.0%	-	(3,000)
41730 · Earnings-Marketable Securities	23,185.29	60,000.00	38.64%	46,371	(13,629)
40700 · Interest	196,891.86	168,729.00	116.69%	393,784	225,055
Total Other Income	530,065.39	527,729.00	100.44%	1,060,131	532,402
Other Expense					
63520 · Interest Expense	667,286.31	1,386,793.26	48.12%	1,334,573	(52,221)
69750 · Loss on Marketable Securities	41,115.05	0	100.0%	82,230	82,230
62700 · Depreciation Expense	1,187,763.48	2,127,084.36	55.84%	2,375,527	248,443
Total Other Expense	1,896,164.84	3,513,878	53.96%	3,792,330	278,452
Net Other Income	-1,366,099.45	-2,986,149	45.75%	(2,732,199)	253,950
	989,709.87	1,364,046	72.56%	1,979,420	615,374

Kempner Water Supply Corporation
Profit & Loss Budget vs. Actual
YOY Comparison

	FYE 2025	Budget	% of Budget	FYE 2026	Budget	% of Budget
Ordinary Income/Expense						
Income						
40000 · Water Sales	4,451,668.91	9,775,493.15	45.54%	4,595,152.31	10,389,739.20	44.23%
40180 · Income from meters	76,750.00	183,500.00	41.83%	89,550.00	225,500.00	39.71%
40790 · Salado WSC Payment	293,104.08	360,000.00	81.42%	226,918.33	400,000.00	56.73%
40900 · City of Lampasas Payment	517,210.65	829,763.64	62.33%	484,997.91	854,763.64	56.74%
40960 · Field Operating Costs-Income	21,500.00	15,000.00	143.33%	0.00	15,000.00	0.0%
41300 · Professional Fees-Income	7,500.00	15,000.00	50.0%	1,150.00	15,000.00	7.67%
Total Income	5,367,733.64	11,178,756.79	48.02%	5,397,768.55	11,900,002.84	45.36%
Gross Profit						
	5,367,733.64	11,178,756.79	48.02%	5,397,768.55	11,900,002.84	45.36%
Expense						
60000 · Expense- General Budget						
60050 · Administration	186,979.97	338,500.00	55.24%	184,155.27	373,500.00	49.31%
60055 · Field & Plant Operating Costs	484,140.07	1,318,000.00	36.73%	355,992.30	1,426,600.00	24.95%
60100 · Utilities	433,995.62	773,000.00	56.14%	317,804.65	794,000.00	40.03%
60250 · Payroll Expenses	917,722.28	1,973,110.80	46.51%	964,812.71	2,128,104.46	45.34%
61150 · Professional Fees	49,872.11	215,000.00	23.2%	50,904.73	201,000.00	25.33%
61700 · Insurance	271,026.91	505,034.04	53.67%	258,833.48	578,639.04	44.73%
62010 · CTWSC Payments	465,638.73	982,000.00	47.42%	477,061.12	1,002,000.00	47.61%
62499 · BRA Payments	359,140.24	876,285.00	40.98%	373,551.90	941,815.00	39.66%
63198 · Pass Thru Expenses	49,914.65	69,000.00	72.34%	51,957.24	76,000.00	68.37%
63210 · Taxes Fees	1,226.81	4,150.00	29.56%	1,146.88	4,150.00	27.64%
63410 · Continuing Education	8,895.20	27,800.00	32.0%	5,738.95	24,000.00	23.91%
Total 60000 · Expense- General Budget	3,228,552.59	7,081,879.84	45.59%	3,041,959.23	7,549,808.50	40.29%
Total Expense	3,228,552.59	7,081,879.84	45.59%	3,041,959.23	7,549,808.50	40.29%
Net Ordinary Income	2,139,181.05	4,096,876.95	52.22%	2,355,809.32	4,350,194.34	54.15%
Other Income/Expense						
Other Income						
41732 · Capital Contributions	0.00	0.00	0.0%	18,492.10	0	100.0%
41925 · Gain-Sale of CCN Rights	0.00	15,000.00	0.0%		15,000.00	0.0%
41915 · CoBank Investment Dividends	307,804.52	202,000.00	152.38%	284,002.91	275,000.00	103.27%
41600 · Other Income	9,736.75	19,800.00	49.18%	7,493.23	6,000.00	124.89%
41922 · Gain-Sale of Vehicles/Equipment	0.00	5,000.00	0.0%		3,000.00	0.0%
41730 · Earnings-Marketable Securities	16,005.51	80,000.00	20.01%	23,185.29	60,000.00	38.64%
40700 · Interest	211,537.00	151,170.00	139.93%	196,891.86	168,729.00	116.69%
Total Other Income	545,083.78	472,970.00	115.25%	530,065.39	527,729.00	100.44%
Other Expense						
63520 · Interest Expense	692,618.48	1,386,793.26	49.94%	667,286.31	1,386,793.26	40.72%
69750 · Loss on Marketable Securities	39,699.16	0.00	100.0%	41,115.05	0	100.0%
62700 · Depreciation Expense	1,063,542.10	1,700,000.00	62.56%	1,187,763.48	2,127,084.36	46.53%
Total Other Expense	1,795,859.74	3,086,793.26	58.18%	1,896,164.84	3,513,878	44.43%
Net Other Income	-1,250,775.96	-2,613,823.26	47.85%	-1,366,099.45	-2,986,149	45.86%
Net Income	888,405.09	1,483,053.69	59.9%	989,709.87	1,364,046	40.46%

KEMPNER WATER SUPPLY CORPORATION

MARCH 2026

FUND'S DETAIL

CHECKING/SAVINGS (LIQUID FUNDS)

OPERATING FUNDS	\$ 854,157
CONTRACTUAL RESERVES	\$ 510,644
LONG RANGE PLAN:	
IMPACT FEES	\$ 552,347
EQUITY BUY IN	\$ 29,250
LRP-DEPRECIATION	\$ 4,073,482

MARKETABLE SECURITIES

MEMBERSHIP RESERVES	\$ 125,000
LOAN RESERVES	\$ 1,373,596
CAPITAL RESERVES	\$ 2,233,813
CO BANK INVESTMENT	\$ 611,987
ACCOUNTS RECEIVABLE	\$ 764,548
ACCOUNTS PAYABLES	\$ 115,832

*** NET CHANGE IN CASH: (\$ 573,833)

Kempner Water Supply Corporation
Balance Sheet
As of March 31, 2026

ASSETS

Current Assets

Checking/Savings

0999 · Operating Account	457,502.93
0999.1 · WTP-Contingency Acct	381.35
0999.71 · Frost - Business Checking	60,877.39
0999.8 · TexPool/Logic - Cash	
10805 · RD9106/9107 #006	333,806.74
10800 · Jt Use Fclts Cntr Reserve #003	327,605.48
10801 · Long Range Plan #005	4,655,078.67
10802 · KWSC - General #001	576.07
10803 · Jt Use Base Loan Reserve #002	182,940.76
10804 · Tank Maintenance #004	97.44
Total 0999.8 · TexPool/Logic - Cash	5,500,105.16
1000 · Petty Cash	1,012.36
Total Checking/Savings	6,019,879.19

Other Current Assets

14935 · Investment in CoBank	611,986.70
14981 · Inventory-AMR Meters	6,141.48
0999.7 · Marketable Securities	
10702 · Membership	125,000.00
10703 · Co Bank	1,360,000.00
10704 · USDA	13,596.00
10705 · KWSC	2,233,813.44
Total 0999.7 · Marketable Securities	3,732,409.44
14921 · Prepaid insurance-General	113,750.74
14940 · Deposit US Post Office	600.00
14980 · Inventory	120,579.17
14950 · Accounts Receivable - Water	764,548.31
Total Other Current Assets	5,350,015.84

Total Current Assets

11,369,895.03

Fixed Assets

26040.1 · USDA-Cobank (T04) Issuance	17,577.46
26016.1 · Prosperity Bank-AMR Issuance	12,727.59
15100 · Water Distribution System	1,878,776.88
15400 · Furniture & Fixtures	62,371.06
15500 · Land	1,256,134.46
15600 · Office Building	271,530.78
15650 · Vehicles	790,529.94
15700 · Tools & Equipment	1,264,306.56
15775 · Other Fixed Assets	59,690,154.90
15200 · Accumulated Depreciation	-31,011,099.23
15800 · Construction in Progress	2,480,529.87
Total Fixed Assets	36,713,540.27

TOTAL ASSETS

48,083,435.30

Kempner Water Supply Corporation
Balance Sheet
 As of March 31, 2026

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable 115,831.62

Other Current Liabilities

22005 · Accrued Expenses

22012 · Accrued Vacation 102,781.25

22010 · Accrued Salaries 44,174.12

21010 · Accrued Liabilities 5,880.06

Total 22005 · Accrued Expenses 152,835.43

14920 · Current Portion of LT Debt 1,328,809.01

20201 · Interest Payable - TWDB

20201.1 · Interest Payable - All Others 109,285.41

Total 20201 · Interest Payable - TWDB 109,285.41

Total Other Current Liabilities 1,590,929.85

Total Current Liabilities 1,706,761.47

Long Term Liabilities

26050 · CoBank T05 2,481,988.67

26040 · CoBank T04 2,093,979.58

26030 · CoBank T02 3,087,671.21

26020 · CoBank T01 23,677,122.06

26016 · Prosperity Bank-AMR Mtrs 570,674.23

20207 · USDA Loan #91-09 312,141.31

26009 · Current Portion LT Liability -1,328,809.01

Total Long Term Liabilities 30,894,768.05

Total Liabilities 32,601,529.52

Equity

30100.8 · CoBank T01/02&04 Reserves 1,360,000.00

30100 · Retained Earnings 12,999,402.77

30100.3 · Membership Reserve 125,000.00

30300 · Member Investment 7,793.14

Net Income 989,709.87

Total Equity 15,481,905.78

TOTAL LIABILITIES & EQUITY 48,083,435.30

KEMPNER WATER SUPPLY CORPORATION

FUNDS DETAIL

	OCT	NOV	DEC	JAN	FEB	MARCH	APR	MAY	JUN	JUL	AUG	SEP
CHECKING/SAVINGS - LIQUID FUNDS												
OPERATING FUNDS	617,120	520,113	673,541	497,707	1,063,800	854,157						
CONTRACTUAL RESERVES (LAMPASAS)	502,445	504,142	505,853	507,516	509,008	510,644						
LONG RANGE PLAN /SOURCE:												
IMPACT FEES	1,247,654	1,261,354	1,261,354	1,269,304	601,162	552,347						
EQUITY BUY IN FEES	0	4,500	4,500	20,250	22,500	29,250						
DEPRECIATION & INTEREST	4,283,633	3,751,385	3,768,420	4,074,019	4,106,037	4,073,482						
MARKETABLE SECURITIES												
MEMBERSHIP RESERVES	125,000	125,000	125,000	125,000	125,000	125,000						
CONTRACTUAL RESERVES (LOANS)	1,373,596	1,373,596	1,373,596	1,373,596	1,373,596	1,373,596						
OPERATIONAL RESERVE (APPROX. 60 DAYS)	2,259,632	2,264,578	2,275,285	2,276,868	1,770,205	2,233,813						
COBANK INVESTMENT	521,622	521,622	521,622	521,622	521,622	611,987						
CASH & MARKETABLE SECURITIES	10,930,702	10,326,290	10,509,151	10,665,882	10,092,925	10,364,276	0	0	0	0	0	0
ACCOUNTS RECEIVABLE												
	9111,946	834,457	761,613	851,548	863,239	764,548						
ACCOUNTS PAYABLE												
	148,641	38,277	43,018	91,141	304,422	115,832						
CAPITAL EXPENDITURES												
	393,841	666,658	6,100	11,624	629,214	409,857						
NET CHANGE IN CASH (CASH FLOW)												
CURRENT MONTH	108,396	-609,358	172,175	121,944	212,379	-573,833						
YTD	-108,396	-717,755	-545,580	-423,636	-211,258	-788,090						

Kempner Water Supply Corporation
Statement of Cash Flows
October 2025 through March 2026

Oct '25 - Mar 26

OPERATING ACTIVITIES

Net Income	989,709.87
Adjustments to reconcile Net Income	
to net cash provided by operations:	
14935 · Investment in CoBank	-90,364.56
14981 · Inventory-AMR Meters	1,829.21
0999.7 · Marketable Securities:10705 · KWSC	19,869.72
14921 · Prepaid insurance-General	-113,750.74
14980 · Inventory	55.00
14950 · Accounts Receivable - Water	189,781.88
20000 · *Accounts Payable	-17,271.54
22005 · Accrued Expenses:21010 · Accrued Liabilities	-119,887.07

Net cash provided by Operating Activities 859,971.77

INVESTING ACTIVITIES

15700 · Tools & Equipment	-45,000.00
15775 · Other Fixed Assets	-9,170.61
15200 · Accumulated Depreciation	1,187,763.48
15800 · Construction in Progress:15822 · Projects:15822.1 · Engineering	-75,736.34
15800 · Construction in Progress:15822 · Projects:15822.3 · Construction	-2,048,074.32

Net cash provided by Investing Activities -990,217.79

FINANCING ACTIVITIES

26050 · CoBank T05	-47,675.61
26040 · CoBank T04	-24,582.54
26030 · CoBank T02	-249,506.90
26020 · CoBank T01	-299,030.85
26016 · Prosperity Bank-AMR Mtrs	-38,015.99
20207 · USDA Loan #91-09	-3,825.67
30300 · Member Investment:30310 · Applied to Balance	-1,706.86
30300 · Member Investment:30311 · Membership Refund	1,600.00
30300 · Member Investment:30312 · New Meters	7,900.00

Net cash provided by Financing Activities -654,844.42

Net cash increase for period -785,090.44

Cash at beginning of period 6,804,969.63

Cash at end of period 6,019,879.19