

**CITY OF SHAVANO PARK**  
**WATER ADVISORY COMMITTEE MEETING**  
**900 SADDLETREE COURT, SHAVANO PARK, TX 78231**  
**JANUARY 14, 2019**  
**6:30 PM**  
**AGENDA**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. CITIZENS TO BE HEARD**

The Water Advisory Committee welcomes Citizens to be heard, we request that if you wish to speak that you follow these guidelines – Resolution No. 04-11 residents are given three (3) minutes to speak during Citizens to be heard. Citizens are only allowed to speak once and cannot pass their time allotment to someone else. In compliance with the Texas Open Meetings Act, the Water Advisory Committee may not deliberate on comments (Attorney General Opinion – JC0169)

**4. CONSENT AGENDA**

- a. Approval – Water Advisory Committee Meeting Minutes, October 15, 2018

**5. REPORTS - Public Works Director Update**

- a. Water system
  - a. Water System Infrastructure Updates
- b. Financial Report
  - a. FY2017-18 Year End Report
  - b. November Report

**6. REGULAR BUSINESS**

- a. Discussion - Water Rate Study - Chairman Walea
- b. Discussion/Update - N.W. Military Hwy. Expansion – Water Main Relocation – Director Peterson
- c. Discussion/Action – Leasing out of 200 AF of water – Chairman Walea/Director Peterson
- d. Discussion/Action – Selecting a Vice Chairman of the Water Advisory Committee

**7. FUTURE ITEMS**

- a. Emergency Interconnect with SAWS – expired
- b. Franchise Fees with SAWS expire June 2019 – negotiate supplying DeZavala Place possibly
- c. Backflow Inspection Enforcement
- d. Policy # 12 Water Adjustment Procedure clarification
- e. Delinquent Account Procedures
- f. Addressing inactive wells

**8. ADJOURNMENT**

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the above named City of Shavano Park Water Advisory Committee is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin boards, of the City Hall of said City Shavano Park, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on this the 10<sup>th</sup> of January 2019 at 9:15 a.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Zina Tedford  
City Secretary

Accessibility Statement

The City of Shavano Park City Hall is wheelchair accessible. The entry ramp is located in the front of the building. Accessible parking spaces are also available in the front and sides of the building. Sign interpretative services for meetings must be made 48 hours in advance of the meeting. Call the A.D.A. Coordinator at 817-447-5400 or TDD 1-800-735-2989.

**CITY OF SHAVANO PARK  
WATER ADVISORY COMMITTEE MEETING  
900 SADDLETREE CT., SHAVANO PARK, TX 78231  
MONDAY, OCTOBER 15, 2018**

**6:30 P.M.  
MINUTES**

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Chairman Walea

2. ROLL CALL:

PRESENT:

Sam Bakke

Al Walea

Tomas Palmer

Matt Trippy

Steve Fleming

ABSENT:

Tommy Peyton

3. CITIZENS TO BE HEARD

No one addressed the committee at this time

4. CONSENT AGENDA

a. Approval – July 30, 2018 Minutes

Member Palmer moved to accept the minutes as submitted, Member Trippy seconded. Motion passed.

5. REPORTS - Public Works Director Update

a. Water System

a. Water System Infrastructure Update

Director Peterson reviewed the activities on the wells. Well #5 is back in operation and there has been an increase in production of 35 – 45 gpm. Well # 6 – everything was tested, the valve relay and cards still need to be tested since the damage done from the Labor Day storms. Trac-N-Trol will be out to test. Huebner Plant is working fine and Director Peterson is contacting painters to redo the top of the tank. Well # 7 still has pieces of brass popping up, but no major issues have come up - still monitoring. Well # 8 vibration is backing off a bit, chlorine scale has been switched out. Director Peterson and PW/W Office Mgr. attended a meeting with the EAA last week regarding a new ASR program. Director Peterson reviewed what is offered and asked if he should have EAA representatives come talk to WAC at next meeting. Members indicated they would entertain that.

b. Financial Report

a. August Report

Director Peterson reviewed the August Revenues and Expenditures and informed the members that the tentative end of year percent of the 2017 – 18 Budget was 99.1%.

6. REGULAR BUSINESS

a. Discussion - Water Rate Study – Chairman Walea

Chairman Walea mentioned that compiling information for the study was ongoing and still waiting on TxDOT to give some cost figures. Councilman Colemere suggested that the committee prepare two separate rate structures, one that shows water rates for operation and maintenance and another that would show those rates and include the possibility of either a loan or bond fund payments (if necessary) and a possibility of raising the debt service fee. Chairman Walea would like staff to find the 2004/05 Council Minutes where they determined the rates from the Water Study to see if they accepted as presented or changed and what was their thinking.

b. Discussion – N.W. Military Hwy. Expansion – Water Main Relocation

Director Peterson handed out information regarding 6 areas of potential conflicts that still need to be addressed by TxDOT. The high side guestimate of cost would be somewhere around \$1.7M.

c. Discussion – Approved 2018 – 19 Budget

Director Peterson informed the members that Council approved items that were requested.

7. FUTURE ITEMS

d. N.W. Military Hwy. Expansion – Water Main Relocation

e. Water Rate Study

f. Emergency Interconnect with SAWS – expired

g. Franchise Fees with SAWS expire June 2019 – negotiate supplying DeZavala Place possibly

h. Backflow Inspection Enforcement

i. Policy # 12 Water Adjustment Procedure clarification

j. Delinquent Account Procedures

8. ADJOURNMENT

Member Palmer made a motion to adjourn, member Trippy seconded.  
Motion passed. Meeting adjourned at 7:37 p.m.

---

Peggy Stone  
PW/Water Utility  
Office Manager

---

Al Walea, Chairman

Date: \_\_\_\_\_

# WATER ADVISORY COMMITTEE STAFF SUMMARY

Meeting Date: January 14, 2019

Agenda item: 5.b.a

Prepared by: Brenda Morey

Reviewed by: Bill Hill

---

**AGENDA ITEM DESCRIPTION:**

Presentation of September 2018 Year End

X

**Attachments for Reference:**

- 1) FY 2018 Revenues & Expenses - Modified
- 2) Sept 2018 Revenue and Expense Report (Incode)
- 3) Cash & Investment Analysis

---

**BACKGROUND / HISTORY:** The information provided within the attachments are for FY 2018. Attachment #1 ‘Modified Year End’ presents the effects of the year-end accrual entries to the budget and actual account balances. The Incode Revenue and Expense report month ending September 30, 2018 includes all of the year-end adjustments. The ‘Current Budget’ column in attachment #2 contains the original adopted budget, with all amendments. The ‘Current Period’ column includes the monthly activity as well as the year end entries.

---

**DISCUSSION:**

The Water Utility Fund is a proprietary fund and as such uses the accrual basis of accounting for year-end financial reporting. Proprietary funds are expected to be self-supporting, operating as a business. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized when incurred. **Proprietary funds record depreciation expense on fixed assets, amortization of debt related costs, and recognize pension liabilities.**

For budget preparation purposes, the City uses a modified cash basis of accounting. All interim financial statements are prepared on the modified cash basis with the annual financial statements prepared on the accrual basis. The use of the different basis of accounting can create significant variances when comparing budget to actual at year end.

To assist the Water Advisory Committee in understanding how the different basis of accounting affects the financial statements, City Staff has prepared the attached schedule, ‘Revenues and Expenses – Modified’. The revenue and expense amounts in the first column “Year to Date Actual-(Incode)” agrees to the final FY18 Incode report which includes the year end accrual entries. The second column, “Year to Date Actual – Modified with Year End Entries” lists the more significant year end accrual entries that are considered when comparing to the budgeted amounts. The “Current Budget (Incode) Modified” reflects the amended budget less the Transfer In – Reserves amount, as that account will not have a corresponding actual amount. Comparisons of actual amounts – accrual basis to budget amounts – budgetary basis are highlighted with the green bars. Comparisons of actual amounts – modified to budget amounts – modified are highlighted with the orange bars.

**Revenues:**

The Water Utility fund finished FY18 with total accrual basis revenues of \$978,091.84 compared to budgeted revenues of \$1,069,890.00, for a shortfall of \$91,798.16 (Incode reports).

Water sales - at year end, adjustments are recorded to accrue water sales for September which are billed in October. The \$99,896 adjustment is for September 2017 revenues billed in October 2017, this amount is being added back to compare to the budget for FY18. The \$49,406 adjustment is the September 2018 revenues billed in October 2018, this amount is being subtracted to compare to the budget for FY18.

Insurance proceeds for the September 2018 lightning strike were accrued at 9/30/2018 as the event and expense occurred before 9/30 but the reimbursement was received after 9/30. This amount is being subtracted to compare to budget.

Transfer in – reserves - \$124,749, reduction in budgeted amount. This line is for budgetary purposes, to balance a budget. It reflects a planned use of reserves but will not have any activity as the affect will flow through operations. This amount is being subtracted from the budget to compare to the actual for the year.

Prior period adjustment - \$4,839, is the Water Utility's share of the adoption of a new accounting standard related to Other Post-Employment Benefits. It's being added back to the actual as there was no related cash outflow.

Comparing accrual basis revenues of \$978,092 to amended budget of \$1,069,890, creates a shortfall of \$91,798. However, when modified revenues of \$1,023,583 are compared to the modified budget of \$945,141, there is an excess of \$78,442, mainly due to the removal of the Transfers In – Reserves amount of \$124,749.

**Expenses – Water Department:**

The Water Department (operations) finished FY 18 with total expenses of \$875,177.27 as compared to budgeted amount of \$882,183.00, underspent by \$7,005.73 (Incode).

Fixed Assets Capitalized/Depreciation Expense – during the year, fixed asset purchases are reflected within the related capital outlay accounts as incurred. At year end, those amounts are capitalized, (added to assets) and their cost allocated over the related useful lives as depreciation expense. To compare to budget, the cost amounts are added back to expenses and the depreciation expense is subtracted.

Inventory- the Water Utility maintains an on-hand inventory of parts and supplies to ensure efficient operation. This year, the utility staff reorganized and re-assessed its inventory, taking extra care with pricing, counting, etc. At year end, the balance of the inventory account is adjusted to the physical count. This amount is being added back to expense to compare to budget.

Pension Expense - \$2,883, represents the Utility's share of the current year's pension expense. This amount is being subtracted from total expenses to compare to budget as it is not an actual cash outlay. Comparing accrual basis water department expenses of \$875,177 to amended budget of \$882,183, shows the department underspent by \$7,006. This is very consistent when modified water department expenses of \$874,971 are compared to budget of \$882,183, which shows the department underspent by \$7,212.

**Expenses – Debt Service:**

The Water Utility's debt service completed the FY18 with total accrual basis expenses of \$83,636.96 and budgeted expenses of \$187,707, underspent by \$104,070.04, as the principal portion of debt service is not considered an expense under accrual accounting. It is a reduction of the related debt liability.

Bond Principal Payments - \$101,990 represents the principal repaid on the Water Utility's share of the outstanding debt issues. This is being added back to expenses for comparison to budget as this amount is included in the debt service expense budget. For accrual basis of accounting, this amount is a reduction of the outstanding debt issue on the balance sheet.

Amortization – Premium/Loss on bond refunding - \$1,702 reduction of expense. Bond refinancing transactions usually generate a premium or discount, depending on the interest rates involved. Those amounts are recognized over the life of the related debt issue for accrual purposes. This amount is being subtracted from current year expense as there is no cash outlay this year.

Comparing accrual basis debt service expenses of \$83,637 to amended budget of \$187,707 shows the department underspent by \$104,070. However, comparing modified expenses of \$183,925 to the budget of \$187,707, shows \$3,782 underspent.

**Cash and Investment Analysis:**

For purposes of additional analysis, a historical summary of the Water Utility's Cash and Investment balances have been included.

---

**COURSES OF ACTION:** None related to the Report.

---

**FINANCIAL IMPACT:** N/A

---

**STAFF RECOMMENDATION:** N/A

**CITY OF SHAVANO PARK WATER UTILITY FUND  
FY 2017-18 FINAL  
REVENUE AND EXPENSES -- MODIFIED**

	<u>YEAR TO DATE ACTUAL - (INCODE)</u>	<u>YEAR TO DATE ACTUAL - MODIFIED WITH YEAR END ENTRIES</u>	<u>CURRENT BUDGET (INCODE) MODIFIED</u>	<u>INCODE BUDGET BALANCE DIFFERENCE</u>	<u>MODIFIED BUDGET BALANCE DIFFERENCE</u>
<b>REVENUES, TOTAL</b>	\$ 978,092	\$ 978,092	\$ 1,069,890	\$ (91,798)	
Water Sales - Cash to Accrual - PY		99,896 **			
Water Sales - Cash to Accrual - CY		(49,406) **			
Insurance proceeds - accrual		(9,838) **			
Transfer In - Reserves			(124,749) *		
Prior Period Adjustment		4,839 ***			
<b>MODIFIED TOTAL REVENUES</b>	<u>\$ 978,092</u>	<u>\$ 1,023,583</u>	<u>\$ 945,141</u>		<u>\$ 78,442</u>
<b>EXPENSES</b>					
<b>Water Department</b>	\$ 875,177	\$ 875,177	\$ 882,183	\$ (7,006)	
Fixed Assets Capitalized		138,963 **			
Depreciation Expense	\$ -	(190,805) **			
Inventory adjustment		54,519 **			
Pension Expense	\$ -	(2,883) **			
Modified Water Department Expenses	<u>\$ 875,177</u>	<u>\$ 874,971</u>	<u>\$ 882,183</u>		<u>\$ (7,212)</u>
<b>Debt Service</b>	\$ 83,637	\$ 83,637	\$ 187,707	\$ (104,070)	
Bond Principal Payments		101,990 **			
Amortization - Premium/Loss on bond refunding		(1,702) **			
Modified Debt Service Expenses	<u>\$ 83,637</u>	<u>\$ 183,925</u>	<u>\$ 187,707</u>		<u>\$ 3,782</u>
<b>MODIFIED TOTAL EXPENSES</b>	<u>\$ 958,814</u>	<u>\$ 1,058,896</u>	<u>\$ 1,069,890</u>	<u>\$ (111,076)</u>	<u>\$ (3,430)</u>
<b>Modified Revenues Over/(Under) Expenses</b>	<u>\$ 19,278</u>	<u>\$ (35,313)</u>	<u>\$ (124,749)</u>	<u>\$ 19,278</u>	<u>\$ 89,436</u>

\* These line items are for budgeting purposes only, for a balanced budget. No actual amount will be recorded.

\*\* These items are modified by end of year accounting entries moving them to/from Balance Sheet.

\*\*\* Prior period adjustment is a one time entry for adoption of new accounting standard.



20 -WATER FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
NON-DEPARTMENTAL	<u>1,069,890.00</u>	<u>119,922.78</u>	<u>978,091.84</u>	<u>91,798.16</u>	<u>91.42</u>
TOTAL REVENUES	<u>1,069,890.00</u>	<u>119,922.78</u>	<u>978,091.84</u>	<u>91,798.16</u>	<u>91.42</u>
<u>EXPENDITURE SUMMARY</u>					
WATER DEPARTMENT	882,183.00	84,257.51	875,177.27	7,005.73	99.21
DEBT SERVICE	<u>187,707.00</u>	( <u>104,119.46</u> )	<u>83,636.96</u>	<u>104,070.04</u>	<u>44.56</u>
TOTAL EXPENDITURES	<u>1,069,890.00</u>	( <u>19,861.95</u> )	<u>958,814.23</u>	<u>111,075.77</u>	<u>89.62</u>
REVENUES OVER/(UNDER) EXPENDITURES	0.00	139,784.73	19,277.61 (	19,277.61)	0.00

20 -WATER FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>NON-DEPARTMENTAL</u>					
<u>WATER SALES</u>					
20-599-5015 WATER CONSUMPTION	639,534.00	56,781.31	661,864.34 (	22,330.34)	103.49
20-599-5016 LATE CHARGES	7,000.00	1,171.92	6,010.42	989.58	85.86
20-599-5018 DEBT SERVICE	53,376.00	4,492.80	53,529.60 (	153.60)	100.29
20-599-5019 WATER SERVICE FEE	58,092.00	4,797.66	58,645.96 (	553.96)	100.95
20-599-5036 EAA PASS THRU CHARGE	<u>82,626.00</u>	<u>7,554.44</u>	<u>89,139.44</u> (	<u>6,513.44)</u>	<u>107.88</u>
TOTAL WATER SALES	840,628.00	74,798.13	869,189.76 (	28,561.76)	103.40
<u>MISC./GRANTS/INTEREST</u>					
20-599-7000 INTEREST INCOME	10,000.00	1,629.42	11,822.41 (	1,822.41)	118.22
20-599-7011 OTHER INCOME	500.00	0.00	49.27	450.73	9.85
20-599-7012 LEASE OF WATER RIGHTS	8,800.00	0.00	10,000.00 (	1,200.00)	113.64
20-599-7040 ASR LEASE PROGRAM	24,000.00	0.00	24,000.00	0.00	100.00
20-599-7060 CC SERVICE FEES	4,000.00	181.47	787.83	3,212.17	19.70
20-599-7075 SITE/TOWER LEASE REVENUE	15,165.00	1,266.77	15,490.72 (	325.72)	102.15
20-599-7090 SALE OF FIXED ASSETS	5,000.00	0.00	4,704.86	295.14	94.10
20-599-7097 INSURANCE PROCEEDS	<u>0.00</u>	<u>9,837.65</u>	<u>9,837.65</u> (	<u>9,837.65)</u>	<u>0.00</u>
TOTAL MISC./GRANTS/INTEREST	67,465.00	12,915.31	76,692.74 (	9,227.74)	113.68
<u>TRANSFERS IN</u>					
20-599-8072 TRF IN - CAPITAL REPLACEMEN	37,048.00	37,048.00	37,048.00	0.00	100.00
20-599-8090 PRIOR PERIOD ADJUSTMENT	0.00 (	4,838.66)	( 4,838.66)	4,838.66	0.00
20-599-8099 TRF IN - RESERVES	<u>124,749.00</u>	<u>0.00</u>	<u>0.00</u>	<u>124,749.00</u>	<u>0.00</u>
TOTAL TRANSFERS IN	161,797.00	32,209.34	32,209.34	129,587.66	19.91
<hr/>					
TOTAL NON-DEPARTMENTAL	1,069,890.00	119,922.78	978,091.84	91,798.16	91.42
<hr/>					
TOTAL REVENUES	1,069,890.00	119,922.78	978,091.84	91,798.16	91.42
	=====	=====	=====	=====	=====

20 -WATER FUND

WATER DEPARTMENT

% OF YEAR COMPLETED: 100.00

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<b>PERSONNEL</b>					
20-606-1010 SALARIES	173,594.00	16,541.28	169,238.66	4,355.34	97.49
20-606-1015 OVERTIME	7,600.00	898.83	8,741.14 (	1,141.14)	115.02
20-606-1020 MEDICARE	2,523.00	233.60	2,616.51 (	93.51)	103.71
20-606-1025 TWC (SUI)	828.00	0.00	507.56	320.44	61.30
20-606-1030 HEALTH INSURANCE	25,776.00 (	172.75)	22,452.59	3,323.41	87.11
20-606-1031 HSA	178.00	0.00	134.87	43.13	75.77
20-606-1033 DENTAL INSURANCE	1,480.00	8.42	1,283.58	196.42	86.73
20-606-1035 VISION CARE INSURANCE	365.00	4.78	308.82	56.18	84.61
20-606-1036 LIFE INSURANCE	318.00 (	15.42)	297.53	20.47	93.56
20-606-1037 WORKERS' COMP INSURANCE	6,153.00	1,353.11	5,217.82	935.18	84.80
20-606-1040 TMRS RETIREMENT	23,903.00	4,274.84	25,153.69 (	1,250.69)	105.23
20-606-1070 SPECIAL ALLOWANCES	<u>11,700.00</u>	<u>726.96</u>	<u>8,666.17</u>	<u>3,033.83</u>	<u>74.07</u>
TOTAL PERSONNEL	254,418.00	23,853.65	244,618.94	9,799.06	96.15
<b>SUPPLIES</b>					
20-606-2020 OFFICE SUPPLIES	1,400.00	0.00	1,462.64 (	62.64)	104.47
20-606-2030 POSTAGE	4,000.00	233.58	2,776.34	1,223.66	69.41
20-606-2050 PRINTING & COPYING	500.00	0.00	459.02	40.98	91.80
20-606-2060 MED EXAMS/SCREENING/TESTING	0.00	0.00	146.50 (	146.50)	0.00
20-606-2070 JANITORIAL SUPPLIES	500.00	383.81	383.81	116.19	76.76
20-606-2075 BANK/CREDITCARD FEES	6,500.00	939.73	7,000.95 (	500.95)	107.71
20-606-2080 UNIFORMS	1,000.00	139.24	742.70	257.30	74.27
20-606-2090 SMALL TOOLS	2,000.00	0.00	1,929.28	70.72	96.46
20-606-2091 SAFETY SUPPLIES/EQUIPMENT	<u>1,200.00</u>	<u>38.94</u>	<u>1,211.59</u> (	<u>11.59)</u>	<u>100.97</u>
TOTAL SUPPLIES	17,100.00	1,735.30	16,112.83	987.17	94.23
<b>SERVICES</b>					
20-606-3012 ENGINEERING SERVICES	1,000.00	0.00	191.25	808.75	19.13
20-606-3013 PROFESSIONAL SERVICES	8,000.00	0.00	0.00	8,000.00	0.00
20-606-3020 ASSOCIATION DUES & PUBS	1,800.00	0.00	996.00	804.00	55.33
20-606-3030 TRAINING/EDUCATION	3,000.00	120.00	2,583.00	417.00	86.10
20-606-3040 TRAVEL/MILEAGE/LODGING/PERD	1,500.00	55.85	1,779.34 (	279.34)	118.62
20-606-3050 INSURANCE - LIABILITY	3,022.00	0.00	6,183.47 (	3,161.47)	204.62
20-606-3060 UNIFORM SERVICES	2,000.00	109.48	1,555.62	444.38	77.78
20-606-3070 INSURANCE - PROPERTY	1,503.00	0.00	1,831.99 (	328.99)	121.89
20-606-3075 WATER CONSERVATION EDUCATIO	100.00	0.00	0.00	100.00	0.00
20-606-3080 SPECIAL SERVICES	0.00	44.00	137.50 (	137.50)	0.00
20-606-3082 WATER ANALYSIS FEES	<u>9,000.00</u>	<u>87.00</u>	<u>5,073.88</u>	<u>3,926.12</u>	<u>56.38</u>
TOTAL SERVICES	30,925.00	416.33	20,332.05	10,592.95	65.75
<b>CONTRACTUAL</b>					
20-606-4075 COMPUTER SOFTWARE/INCODE	8,625.00	1,292.90	6,082.83	2,542.17	70.53
20-606-4085 EAA -WATER MANAGEMENT FEES	70,045.00	5,606.52	69,764.56	280.44	99.60
20-606-4099 WATER RIGHTS/LEASE PAYMENTS	<u>77,951.00</u>	<u>0.00</u>	<u>78,227.10</u> (	<u>276.10)</u>	<u>100.35</u>
TOTAL CONTRACTUAL	156,621.00	6,899.42	154,074.49	2,546.51	98.37

20 -WATER FUND		% OF YEAR COMPLETED: 100.00				
WATER DEPARTMENT						
EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET	
<u>MAINTENANCE</u>						
20-606-5005 EQUIPMENT LEASES	2,000.00	0.00	1,954.32	45.68	97.72	
20-606-5010 EQUIPMENT MAINT & REPAIR	9,000.00	726.28	3,491.51	5,508.49	38.79	
20-606-5015 ELECTRONIC EQPT MAINTENANCE	500.00	0.00	0.00	500.00	0.00	
20-606-5020 VEHICLE MAINTENANCE	3,000.00	2,094.50	4,039.43 (	1,039.43)	134.65	
20-606-5030 BUILDING MAINTENANCE	2,000.00	1,037.84	2,170.15 (	170.15)	108.51	
20-606-5060 VEHICLE & EQPT FUELS	<u>3,500.00</u>	<u>316.43</u>	<u>3,339.73</u>	<u>160.27</u>	<u>95.42</u>	
TOTAL MAINTENANCE	20,000.00	4,175.05	14,995.14	5,004.86	74.98	
<u>DEPT MATERIALS-SERVICES</u>						
20-606-6011 CHEMICALS	17,600.00	776.55	19,294.82 (	1,694.82)	109.63	
20-606-6050 WATER METERS & BOXES	5,134.00	0.00	5,223.79 (	89.79)	101.75	
20-606-6055 FIRE HYDRANTS	2,000.00	0.00	3,366.54 (	1,366.54)	168.33	
20-606-6060 HUEBNER STORAGE TANK	14,000.00	0.00	15,232.14 (	1,232.14)	108.80	
20-606-6061 ELEVATED STORAGE TANK- #1 W	5,000.00	350.00	3,286.12	1,713.88	65.72	
20-606-6062 WELL SITE #2-EAA MONITORED	500.00	0.00	0.00	500.00	0.00	
20-606-6065 WELL SITE #5-EDWARDS BLENDI	25,000.00	2,320.00	26,282.31 (	1,282.31)	105.13	
20-606-6066 WELL SITE #6-MUNI TRACT	8,800.00	0.00	8,887.19 (	87.19)	100.99	
20-606-6067 WELL SITE #7	5,000.00	350.00	5,906.75 (	906.75)	118.14	
20-606-6068 WELL SITE #8	5,000.00	0.00	2,132.26	2,867.74	42.65	
20-606-6069 WELL SITE #9-TRINITY	5,000.00	0.00	2,407.65	2,592.35	48.15	
20-606-6070 SCADA SYSTEM MAINTENANCE	2,000.00	0.00	4,967.26 (	2,967.26)	248.36	
20-606-6071 SHAVANO DRIVE PUMP STATION	20,000.00	13,752.05	33,710.45 (	13,710.45)	168.55	
20-606-6072 WATER SYSTEM MAINTENANCE	20,000.00 (	54,245.33)	(	34,398.16)	54,398.16	171.99-
20-606-6080 STREET MAINT SUPPLIES	<u>3,000.00</u>	<u>0.00</u>	<u>1,098.68</u>	<u>1,901.32</u>	<u>36.62</u>	
TOTAL DEPT MATERIALS-SERVICES	138,034.00 (	36,696.73)	97,397.80	40,636.20	70.56	
<u>UTILITIES</u>						
20-606-7040 UTILITIES - ELECTRIC	70,000.00	5,603.74	78,782.13 (	8,782.13)	112.55	
20-606-7042 UTILITIES - PHONE/CELL	800.00	18.99	810.47 (	10.47)	101.31	
20-606-7044 UTILITIES - WATER	<u>600.00</u>	<u>13.88</u>	<u>254.15</u>	<u>345.85</u>	<u>42.36</u>	
TOTAL UTILITIES	71,400.00	5,636.61	79,846.75 (	8,446.75)	111.83	
<u>CAPITAL OUTLAY</u>						
20-606-8010 NON-CAP ELECTRONIC EQUIPMEN	1,000.00	0.00	0.00	1,000.00	0.00	
20-606-8020 NON-CAPITAL MAINTENANCE EQU	6,500.00	698.00	6,209.62	290.38	95.53	
20-606-8060 CAPITAL- EQUIPMENT	5,000.00	0.00	4,906.09	93.91	98.12	
20-606-8080 WATER SYSTEM IMPROVEMENTS	43,900.00	765.00	44,673.82 (	773.82)	101.76	
20-606-8087 WATER METER REPLACEMENT	<u>5,748.00</u>	<u>0.00</u>	<u>5,747.86</u>	<u>0.14</u>	<u>100.00</u>	
TOTAL CAPITAL OUTLAY	62,148.00	1,463.00	61,537.39	610.61	99.02	
<u>INTERFUND TRANSFERS</u>						
20-606-9000 EOY ASSET RECLASS	0.00 (	138,963.29)	(	138,963.29)	138,963.29	0.00
20-606-9010 TRF TO GENERAL FUND	22,050.00	22,050.00	22,050.00	0.00	100.00	
20-606-9020 TRF TO CAPITAL REP. FUND 72	109,487.00	0.00	109,487.00	0.00	100.00	
20-606-9090 DEPRECIATION EXPENSE	0.00	190,805.00	190,805.00 (	190,805.00)	0.00	
20-606-9095 PENSION EXPENSE	<u>0.00</u>	<u>2,883.17</u>	<u>2,883.17 (</u>	<u>2,883.17)</u>	<u>0.00</u>	
TOTAL INTERFUND TRANSFERS	131,537.00	76,774.88	186,261.88 (	54,724.88)	141.60	
<hr/>						
TOTAL WATER DEPARTMENT	882,183.00	84,257.51	875,177.27	7,005.73	99.21	

20 -WATER FUND  
 DEBT SERVICE

% OF YEAR COMPLETED: 100.00

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CAPITAL OUTLAY</u>					
20-607-8000 BOND PRINCIPAL EOY	0.00	( 101,990.00)	( 101,990.00)	101,990.00	0.00
20-607-8011 ACCRUED BOND INTEREST	0.00	( 427.46)	( 427.46)	427.46	0.00
20-607-8014 2009 GO REFUND - PRINCIPAL	36,990.00	0.00	36,990.00	0.00	100.00
20-607-8015 2009 GO REFUND - INTEREST	15,279.00	0.00	15,278.92	0.08	100.00
20-607-8016 2017 GO REFUNDING (2009) PR	65,000.00	0.00	65,000.00	0.00	100.00
20-607-8017 2017 GO REFUNDING (2009) IN	70,288.00	0.00	70,287.50	0.50	100.00
20-607-8020 BOND UNAMORTIZED LOSS	0.00	( 1,702.00)	( 1,702.00)	1,702.00	0.00
20-607-8030 BOND AGENT FEES	<u>150.00</u>	<u>0.00</u>	<u>200.00</u>	<u>( 50.00)</u>	<u>133.33</u>
TOTAL CAPITAL OUTLAY	187,707.00	( 104,119.46)	83,636.96	104,070.04	44.56
<hr/>					
TOTAL DEBT SERVICE	187,707.00	( 104,119.46)	83,636.96	104,070.04	44.56
<hr/>					
TOTAL EXPENDITURES	1,069,890.00	( 19,861.95)	958,814.23	111,075.77	89.62
=====					
REVENUES OVER/(UNDER) EXPENDITURES	0.00	139,784.73	19,277.61	( 19,277.61)	0.00
=====					

CITY OF SHAVANO PARK  
Analysis of Water Utility Cash and Investment Balances

	as of						
	11/30/2018	09/30/2018	<u>07/31/2018</u>	<u>12/31/2017</u>	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>
Cash and Investments:							
Designated - Capital	\$ 501,383.00	\$ 520,769.00	\$ 557,817.00	\$ 448,330.00	\$ 448,330.00	\$ 380,121.00	\$ 177,872.00
Undesignated	<u>410,232.35</u>	<u>395,229.82</u>	<u>306,025.46</u>	<u>437,777.00</u>	<u>501,556.00</u>	<u>953,655.00</u>	<u>1,279,121.00</u>
Total	<u>\$ 911,615.35</u>	<u>\$ 915,998.82</u>	<u>\$ 863,842.46</u>	<u>\$ 886,107.00</u>	<u>\$ 949,886.00</u>	<u>\$ 1,333,776.00</u>	<u>\$ 1,456,993.00</u>
Undesignated balance	410,232.35	\$ 395,229.82	\$ 306,025.46				
Less:							
Amt due to GF for operations/AP	27,013.84	10,245.31	200.04				
Next debt service payment (Feb & Aug)	148,233.12	-	41,928.30				
FY transfers:							
for capital purchases	(9,394.00)	-	(20,180.00)				
fund CY capital replace to GF	71,946.00	-	-				
	<u>22,050.00</u>	<u>-</u>	<u>22,050.00</u>				
Available cash	<u>\$ 150,383.39</u>	<u>\$ 384,984.51</u>	<u>\$ 262,027.12</u>				
Balances after above transactions:							
Cash and Investments:							
Designated - Capital	\$ 563,935.00	\$ 520,769.00	537,637.00				
Undesignated	<u>150,383.39</u>	<u>384,984.51</u>	<u>262,027.12</u>				
Total	<u>\$ 714,318.39</u>	<u>\$ 905,753.51</u>	<u>\$ 799,664.12</u>				

# WATER ADVISORY COMMITTEE STAFF SUMMARY

Meeting Date: January 14, 2019

Agenda item: 5.b.b.

Prepared by: Brenda Morey

Reviewed by: Bill Hill

---

**AGENDA ITEM DESCRIPTION:**

Presentation of November 2018 Monthly Reports

X

**Attachments for Reference:**

a) November 2018 Revenue and Expense Report

---

**BACKGROUND / HISTORY:** The current data provided in the attachments are for the FY 2018-19 budget period, month ending November 30, 2018. The “Current Budget” column within the attached report contains the original adopted budget. This summary sheet highlights a number of key points related to the current month’s activity.

---

**DISCUSSION:**

As of November 30, 2018, the Water Fund total revenues are \$109,908 or 12.29% of the total annual budgeted amount. Water Fund (Water Department & Debt Service) expenses total \$127,477 or 14.25% of budget.

**Revenues:**

-Water consumption (5015) billed in November for the month of October is \$22,603. Total consumption for the month is approximately 7,640,000 gallons less than the previous year or \$29,274 of revenue.

-The Debt Service (5018) and Water Service Fee (5019) remain on target with annual budgeted amounts as these are flat fees and are not related to volume charges recognized, at 16.73% and 16.97% respectively.

-The EAA Pass Thru (5036) fees are charged to customers based on usage, \$3,346 was recorded for the month and 9.81% of the annual budgeted amount has been recognized to date.

**Expenses:**

Water department (606) expenses for the day-to-day operations are a bit ahead of budget with a total of \$56,577 for the month or 18.03% of the budget utilized. Expenses include TCEQ’s FY2019 water system fee of \$1,680 in water analysis fees (3082) and the annual water lease payment of \$12,282 in water rights/lease payments (4099).

Debt service payments are scheduled for February and August.

**Payroll:**

The City is on a bi-weekly payroll; there have been 5 pay periods out of 26 so approximately 19.23% should be expensed in the line items directly related to personnel. This is a higher percentage than the % of year completed at 16.67%, which explains why the department is ahead of the budget in this area at this time. Workers Comp Insurance (1037) is at 0% which is expensed

quarterly and will not be calculated until December. TMRS (1040) expense is at approximately 21.26%, on track with the related salaries (1010) and overtime (1015) accounts and a bit ahead of budget, as discussed earlier. Health insurance related line items are at approximately 16.71% or 2 months.

---

**COURSES OF ACTION:** None related to the Report.

---

**FINANCIAL IMPACT:** N/A

---

**STAFF RECOMMENDATION:** N/A



20 -WATER FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 16.67

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
NON-DEPARTMENTAL	<u>894,299.00</u>	<u>38,792.92</u>	<u>109,908.07</u>	<u>784,390.93</u>	<u>12.29</u>
TOTAL REVENUES	<u>894,299.00</u>	<u>38,792.92</u>	<u>109,908.07</u>	<u>784,390.93</u>	<u>12.29</u>
<u>EXPENDITURE SUMMARY</u>					
WATER DEPARTMENT	707,084.00	56,576.60	127,477.44	579,606.56	18.03
DEBT SERVICE	<u>187,215.00</u>	<u>0.00</u>	<u>0.00</u>	<u>187,215.00</u>	<u>0.00</u>
TOTAL EXPENDITURES	<u>894,299.00</u>	<u>56,576.60</u>	<u>127,477.44</u>	<u>766,821.56</u>	<u>14.25</u>
REVENUES OVER/(UNDER) EXPENDITURES	0.00	( 17,783.68)	( 17,569.37)	17,569.37	0.00

20 -WATER FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 16.67

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>NON-DEPARTMENTAL</u>					
<u>WATER SALES</u>					
20-599-5015 WATER CONSUMPTION	621,347.00	22,602.91	57,780.60	563,566.40	9.30
20-599-5016 LATE CHARGES	6,000.00	1,018.95	973.08	5,026.92	16.22
20-599-5017 CAPITAL RESERVE FUND	0.00	0.00	0.00	0.00	0.00
20-599-5018 DEBT SERVICE	53,453.00	4,473.60	8,940.80	44,512.20	16.73
20-599-5019 WATER SERVICE FEE	58,092.00	4,959.74	9,857.68	48,234.32	16.97
20-599-5036 EAA PASS THRU CHARGE	83,319.00	3,346.40	8,171.40	75,147.60	9.81
20-599-5037 CONNECTION/DISCONNECT FEE	0.00	0.00	0.00	0.00	0.00
20-599-5040 TAPPING FEES	0.00	0.00	0.00	0.00	0.00
TOTAL WATER SALES	822,211.00	36,401.60	85,723.56	736,487.44	10.43
<u>MISC./GRANTS/INTEREST</u>					
20-599-7000 INTEREST INCOME	9,500.00	965.27	1,943.48	7,556.52	20.46
20-599-7011 OTHER INCOME	0.00	0.00	50.00	50.00	0.00
20-599-7012 LEASE OF WATER RIGHTS	17,108.00	0.00	0.00	17,108.00	0.00
20-599-7040 ASR LEASE PROGRAM	0.00	0.00	0.00	0.00	0.00
20-599-7060 CC SERVICE FEES	1,200.00	121.28	205.29	994.71	17.11
20-599-7075 SITE/TOWER LEASE REVENUE	15,500.00	1,304.77	2,599.74	12,900.26	16.77
20-599-7090 SALE OF FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
20-599-7097 INSURANCE PROCEEDS	0.00	0.00	0.00	0.00	0.00
TOTAL MISC./GRANTS/INTEREST	43,308.00	2,391.32	4,798.51	38,509.49	11.08
<u>TRANSFERS IN</u>					
20-599-8072 TRF IN - CAPITAL REPLACEMEN	28,780.00	0.00	19,386.00	9,394.00	67.36
20-599-8090 PRIOR PERIOD ADJUSTMENT	0.00	0.00	0.00	0.00	0.00
20-599-8099 TRF IN - RESERVES	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS IN	28,780.00	0.00	19,386.00	9,394.00	67.36
TOTAL NON-DEPARTMENTAL	894,299.00	38,792.92	109,908.07	784,390.93	12.29
TOTAL REVENUES	894,299.00	38,792.92	109,908.07	784,390.93	12.29

20 -WATER FUND  
 WATER DEPARTMENT

% OF YEAR COMPLETED: 16.67

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<b>PERSONNEL</b>					
20-606-1010 SALARIES	185,260.00	21,366.73	35,366.23	149,893.77	19.09
20-606-1015 OVERTIME	7,000.00	1,365.00	1,719.34	5,280.66	24.56
20-606-1020 MEDICARE	2,615.00	338.66	551.91	2,063.09	21.11
20-606-1025 TWC (SUI)	828.00	0.00	0.00	828.00	0.00
20-606-1030 HEALTH INSURANCE	26,544.00	2,217.25	4,434.49	22,109.51	16.71
20-606-1031 HSA	178.00	13.08	26.16	151.84	14.70
20-606-1033 DENTAL INSURANCE	1,480.00	120.84	241.67	1,238.33	16.33
20-606-1035 VISION CARE INSURANCE	325.00	28.74	57.47	267.53	17.68
20-606-1036 LIFE INSURANCE	318.00	26.63	53.27	264.73	16.75
20-606-1037 WORKERS' COMP INSURANCE	6,551.00	0.00	0.00	6,551.00	0.00
20-606-1040 TMRS RETIREMENT	25,157.00	3,277.95	5,348.19	19,808.81	21.26
20-606-1070 SPECIAL ALLOWANCES	<u>11,400.00</u>	<u>1,125.06</u>	<u>1,875.10</u>	<u>9,524.90</u>	<u>16.45</u>
TOTAL PERSONNEL	267,656.00	29,879.94	49,673.83	217,982.17	18.56
<b>SUPPLIES</b>					
20-606-2020 OFFICE SUPPLIES	1,400.00	374.39	709.61	690.39	50.69
20-606-2030 POSTAGE	2,500.00	253.81	570.57	1,929.43	22.82
20-606-2050 PRINTING & COPYING	600.00	395.94	444.92	155.08	74.15
20-606-2060 MED EXAMS/SCREENING/TESTING	0.00	0.00	0.00	0.00	0.00
20-606-2070 JANITORIAL SUPPLIES	100.00	0.00	0.00	100.00	0.00
20-606-2075 BANK/CREDITCARD FEES	5,100.00	426.22	1,312.91	3,787.09	25.74
20-606-2080 UNIFORMS	1,200.00	136.22	336.22	863.78	28.02
20-606-2090 SMALL TOOLS	2,000.00	173.96	173.96	1,826.04	8.70
20-606-2091 SAFETY SUPPLIES/EQUIPMENT	<u>1,200.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,200.00</u>	<u>0.00</u>
TOTAL SUPPLIES	14,100.00	1,760.54	3,548.19	10,551.81	25.16
<b>SERVICES</b>					
20-606-3012 ENGINEERING SERVICES	1,000.00	0.00	0.00	1,000.00	0.00
20-606-3013 PROFESSIONAL SERVICES	500.00	0.00	0.00	500.00	0.00
20-606-3020 ASSOCIATION DUES & PUBS	2,215.00	0.00	120.00	2,095.00	5.42
20-606-3030 TRAINING/EDUCATION	3,000.00	550.00	550.00	2,450.00	18.33
20-606-3040 TRAVEL/MILEAGE/LODGING/PERD	1,500.00	34.98	34.98	1,465.02	2.33
20-606-3050 INSURANCE - LIABILITY	3,795.00	0.00	3,870.13	(75.13)	101.98
20-606-3060 UNIFORM SERVICES	3,000.00	128.92	376.47	2,623.53	12.55
20-606-3070 INSURANCE - PROPERTY	1,850.00	0.00	1,886.62	(36.62)	101.98
20-606-3075 WATER CONSERVATION EDUCATIO	100.00	0.00	0.00	100.00	0.00
20-606-3080 SPECIAL SERVICES	300.00	0.00	22.50	277.50	7.50
20-606-3082 WATER ANALYSIS FEES	<u>6,500.00</u>	<u>1,841.95</u>	<u>2,203.16</u>	<u>4,296.84</u>	<u>33.89</u>
TOTAL SERVICES	23,760.00	2,555.85	9,063.86	14,696.14	38.15
<b>CONTRACTUAL</b>					
20-606-4075 COMPUTER SOFTWARE/INCODE	10,292.00	298.36	3,281.28	7,010.72	31.88
20-606-4085 EAA -WATER MANAGEMENT FEES	84,084.00	5,606.52	11,213.04	72,870.96	13.34
20-606-4086 CONTRACT LABOR	0.00	0.00	0.00	0.00	0.00
20-606-4099 WATER RIGHTS/LEASE PAYMENTS	<u>10,851.00</u>	<u>12,281.50</u>	<u>12,281.50</u>	<u>(1,430.50)</u>	<u>113.18</u>
TOTAL CONTRACTUAL	105,227.00	18,186.38	26,775.82	78,451.18	25.45

20 -WATER FUND  
 WATER DEPARTMENT

% OF YEAR COMPLETED: 16.67

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>MAINTENANCE</u>					
20-606-5005 EQUIPMENT LEASES	1,500.00	0.00	0.00	1,500.00	0.00
20-606-5010 EQUIPMENT MAINT & REPAIR	6,500.00	0.00	0.00	6,500.00	0.00
20-606-5015 ELECTRONIC EQPT MAINTENANCE	500.00	0.00	0.00	500.00	0.00
20-606-5020 VEHICLE MAINTENANCE	2,000.00	63.32	174.90	1,825.10	8.75
20-606-5030 BUILDING MAINTENANCE	2,000.00	0.00	1,489.04	510.96	74.45
20-606-5060 VEHICLE & EQPT FUELS	<u>3,000.00</u>	<u>202.51</u>	<u>1,156.24</u>	<u>1,843.76</u>	<u>38.54</u>
TOTAL MAINTENANCE	15,500.00	265.83	2,820.18	12,679.82	18.19
<u>DEPT MATERIALS-SERVICES</u>					
20-606-6011 CHEMICALS	17,000.00	700.89	7,861.91	9,138.09	46.25
20-606-6050 WATER METERS & BOXES	4,500.00	0.00	0.00	4,500.00	0.00
20-606-6055 FIRE HYDRANTS	3,000.00	0.00	0.00	3,000.00	0.00
20-606-6060 HUEBNER STORAGE TANK	6,000.00	0.00	0.00	6,000.00	0.00
20-606-6061 ELEVATED STORAGE TANK- #1 W	3,000.00	0.00	0.00	3,000.00	0.00
20-606-6062 WELL SITE #2-EAA MONITORED	100.00	0.00	0.00	100.00	0.00
20-606-6063 WELL SITE #3-NOT OPERATION	0.00	0.00	0.00	0.00	0.00
20-606-6064 WELL SITE #4-NOT OPERATION	0.00	0.00	0.00	0.00	0.00
20-606-6065 WELL SITE #5-EDWARDS BLENDI	3,000.00	0.00	0.00	3,000.00	0.00
20-606-6066 WELL SITE #6-MUNI TRACT	1,000.00	0.00	300.00	700.00	30.00
20-606-6067 WELL SITE #7	5,000.00	0.00	0.00	5,000.00	0.00
20-606-6068 WELL SITE #8	3,500.00	288.00	549.00	2,951.00	15.69
20-606-6069 WELL SITE #9-TRINITY	2,000.00	0.00	0.00	2,000.00	0.00
20-606-6070 SCADA SYSTEM MAINTENANCE	2,000.00	0.00	0.00	2,000.00	0.00
20-606-6071 SHAVANO DRIVE PUMP STATION	7,000.00	1,759.35	2,830.58	4,169.42	40.44
20-606-6072 WATER SYSTEM MAINTENANCE	13,305.00	516.59	827.31	12,477.69	6.22
20-606-6080 STREET MAINT SUPPLIES	<u>1,500.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,500.00</u>	<u>0.00</u>
TOTAL DEPT MATERIALS-SERVICES	71,905.00	3,264.83	12,368.80	59,536.20	17.20
<u>UTILITIES</u>					
20-606-7040 UTILITIES - ELECTRIC	70,000.00	644.24	3,790.69	66,209.31	5.42
20-606-7042 UTILITIES - PHONE/CELL	800.00	18.99	37.98	762.02	4.75
20-606-7044 UTILITIES - WATER	<u>300.00</u>	<u>0.00</u>	<u>12.09</u>	<u>287.91</u>	<u>4.03</u>
TOTAL UTILITIES	71,100.00	663.23	3,840.76	67,259.24	5.40
<u>CAPITAL OUTLAY</u>					
20-606-8010 NON-CAP ELECTRONIC EQUIPMEN	0.00	0.00	0.00	0.00	0.00
20-606-8015 NON-CAPITAL - COMPUTERS	0.00	0.00	0.00	0.00	0.00
20-606-8020 NON-CAPITAL MAINTENANCE EQU	1,000.00	0.00	0.00	1,000.00	0.00
20-606-8045 CAPITAL-COMPUTER EQUIPMENT	0.00	0.00	0.00	0.00	0.00
20-606-8050 CAPITAL - VEHICLES	0.00	0.00	0.00	0.00	0.00
20-606-8060 CAPITAL- EQUIPMENT	29,060.00	0.00	19,386.00	9,674.00	66.71
20-606-8080 WATER SYSTEM IMPROVEMENTS	10,000.00	0.00	0.00	10,000.00	0.00
20-606-8081 CAPITAL - BUILDING	0.00	0.00	0.00	0.00	0.00
20-606-8085 CAPITAL-WATER TOWER/STORAGE	0.00	0.00	0.00	0.00	0.00
20-606-8087 WATER METER REPLACEMENT	<u>3,780.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,780.00</u>	<u>0.00</u>
TOTAL CAPITAL OUTLAY	43,840.00	0.00	19,386.00	24,454.00	44.22

20 -WATER FUND  
 WATER DEPARTMENT

% OF YEAR COMPLETED: 16.67

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>INTERFUND TRANSFERS</u>					
20-606-9000 EOY ASSET RECLASS	0.00	0.00	0.00	0.00	0.00
20-606-9010 TRF TO GENERAL FUND	22,050.00	0.00	0.00	22,050.00	0.00
20-606-9020 TRF TO CAPITAL REP. FUND 72	71,946.00	0.00	0.00	71,946.00	0.00
20-606-9050 BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00
20-606-9090 DEPRECIATION EXPENSE	0.00	0.00	0.00	0.00	0.00
20-606-9095 PENSION EXPENSE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL INTERFUND TRANSFERS	93,996.00	0.00	0.00	93,996.00	0.00
<hr/>					
TOTAL WATER DEPARTMENT	707,084.00	56,576.60	127,477.44	579,606.56	18.03

20 -WATER FUND  
 DEBT SERVICE

% OF YEAR COMPLETED: 16.67

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CAPITAL OUTLAY</u>					
20-607-8000 BOND PRINCIPAL EOY	0.00	0.00	0.00	0.00	0.00
20-607-8011 ACCRUED BOND INTEREST	0.00	0.00	0.00	0.00	0.00
20-607-8012 2009 CO - PRINCIPAL	0.00	0.00	0.00	0.00	0.00
20-607-8013 2009 CO - INTEREST	0.00	0.00	0.00	0.00	0.00
20-607-8014 2009 GO REFUND - PRINCIPAL	40,072.50	0.00	0.00	40,072.50	0.00
20-607-8015 2009 GO REFUND - INTEREST	13,830.00	0.00	0.00	13,830.00	0.00
20-607-8016 2017 GO REFUNDING (2009) PR	65,000.00	0.00	0.00	65,000.00	0.00
20-607-8017 2017 GO REFUNDING (2009) IN	68,162.50	0.00	0.00	68,162.50	0.00
20-607-8020 BOND UNAMORTIZED LOSS	0.00	0.00	0.00	0.00	0.00
20-607-8030 BOND AGENT FEES	150.00	0.00	0.00	150.00	0.00
20-607-8035 BOND ISSUANCE COSTS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL CAPITAL OUTLAY	187,215.00	0.00	0.00	187,215.00	0.00
<hr/>					
TOTAL DEBT SERVICE	187,215.00	0.00	0.00	187,215.00	0.00
<hr/>					
TOTAL EXPENDITURES	894,299.00	56,576.60	127,477.44	766,821.56	14.25
<hr/>					
REVENUES OVER/(UNDER) EXPENDITURES	0.00	( 17,783.68)	( 17,569.37)	17,569.37	0.00
<hr/>					

## Water Advisory Committee Agenda Form

Meeting Date: January 14, 2019

Agenda item: 6a

Prepared by: Chairman Walea

Reviewed by: Bill Hill

---

**AGENDA ITEM DESCRIPTION:**                      Discussion – Water Rates – Chairman Walea

**Attachments for Reference:**

---

**BACKGROUND / HISTORY:** In October 2003 the City of Shavano Park City Council tasked the Water Advisory Committee (WAC) with gathering historical data to see if a rate study was necessary. The Final Report dated August 27, 2004 provides history and data that was researched and collected from 2000 – 2004. The data consists of revenue, basic operation and maintenance costs, estimate project costs based on a complete assessment of the facilities.

---

**DISCUSSION:** Over the past 3 years the Water Department has not brought in enough revenue to cover the expenditures for the facilities (which including four major Capital Replacement / Repair Projects (New Public Works Building; Painting Elevated Storage Tank; SCADA replacement; and Trinity Well refurbishment), thus significantly depleting the reserve cash funds. The water budget is currently as tight as possible and no water restriction on the residents, but there has also been significant rainfall. It is unlikely the system will continue to make enough revenue to keep up with operational and maintenance expenses, much less future Capital projects.

Way Ahead:

1. Mr. David Burns addressed the WAC at the February 2018 meeting and gave a brief overview of the history of the previous rate study. Mr. Burns passed all the electronic files to Chairman Walea, and the information has been shared with all members
  
2. Determine Annual Revenue needed for Shavano Park Water System
  - a. Calculate Debt Obligations
  - b. Determine necessary Reserves
    - i. Wet Year Reserve
    - ii. Emergency Repair Reserve – Tanks or wells
  - c. Estimate Edwards Fees
  - d. Determine Operations Costs
  - e. Estimate Capital Expenditures – e.g., . pump replacement, VFDs
  - f. Determine Risks that might affect Expense
  
3. Debt.

a. Of the 707 customer accounts 9 are double meters, so they only pay debt service fee on one meter.  
2003 Debt. The remaining balance is \$464,875 and will be paid off in September 2026. The 698 accounts are billed \$6.40 per month to pay for the approx. \$53,000 / yr debt payment for the 2003 debt service.

- The 2009 Debt (Trinity well) balance is \$2.95M is currently paid out of the annual operations budget. A simplified water rate/income solution would be to fully or partially fund this annual debt payment from customer monthly bills by increasing the debt service fee. The annual payment for the 2009 Debt is approximately \$130,000.

- b. Flat fee:  $\$130,000 / 698 \text{ accounts} = \$186.25.71 / 12 \text{ months} = \$15.52$  monthly bill/household
- c. Tiered fee structure: Estimate usage by tier and create a tiered payment fee (not developed).

---

**COURSES OF ACTION:**

- 1. Maintain current rates;
- 2. Propose a debt service fee increase (Varying Options);
- 3. Work with a subcommittee to do an internal rate study;
- 4. Propose an outside formal rate study (requires Council approval and budget amendment);

---

**FINANCIAL IMPACT:** Varies

---

**STAFF RECOMMENDATION:** The Commission review courses of action. If a consensus is made for Options 1 or 2, then recommend to Council. If a consensus is to do a rate study either internally or externally, when that consensus is achieved then forward to Council.