

# Fiscal Year 2020 Budget Presentation

Board of Directors Meeting  
August 21, 2019



**Guadalupe-Blanco River Authority**  
*flowing solutions*

# Operating Systems (Divisions)

## Budget to Actual (13)

### Water:

Port Lavaca, Luling, Lockhart

### Wastewater:

Lockhart, Buda, Northcliffe, Sunfield, 4S Ranch, Park Village, Singing Hills, **Boerne ISD**

### Other:

Coletto Creek Reservoir, Canyon Hydroelectric

## Unit of Service (17)

### Water:

San Marcos, Western Canyon, Cordillera, Comal Trace, Johnson Ranch, Calhoun County Rural Water, Calhoun Canal System, **Carrizo Groundwater Supply**

### Wastewater:

Shadow Creek, Canyon Park, Dunlap, Cordillera, Johnson Ranch

### Other:

General, Water Sales (pipelines, diversion, laboratory), Coletto Creek Recreation, Guadalupe Valley Hydroelectric

New systems are identified in red.



# Ongoing Major Projects

- Guadalupe Valley Dams/Spillgates
- Regional Raw Water Distribution System water intake modifications
- Carrizo Groundwater Supply Project
- Dietz Wastewater Collection System
- Dunlap Wastewater Collection System expansion
- Port Lavaca WTP replacement
- Crestview WWTP replacement
- Canyon Park expansion study
- Northcliffe decommissioning
- Diversion System improvements
- Kendall County Regional WWTP
- Mid Basin Storage Project
- Lower Basin Storage Project
- Asset Management program implementation (**Sunset**)
- Office expansion



# Budget Reductions

Description	Amount
Eliminate 2.0 vacant positions (includes benefits and A & G) Deputy Lab Director Canyon Gorge – Land Management	\$225,550
Decline 4.0 proposed positions (includes benefits and A & G) Electrician/Instrumentation Tech – Hays/Caldwell Maintenance Tech – Grounds/Building Environmental Director Park Manager – Canyon Gorge	\$390,861
Delay hiring of Canyon Gorge Park Ranger (includes benefits and A & G)	\$43,375
Postpone construction of metal building at the Canyon Gorge	\$80,000
Reduction to economic development costs	\$25,000
Reduction to Lake Wood building costs	\$5,000
<b>TOTAL</b>	<b>\$769,786</b>



# Fiscal Year 2020 Budget

Revenues	\$62,958,729
Expenses	<\$54,505,710>
Other Uses	<\$8,399,092>
Net Cash Flow	\$53,927

\* Other Uses = Principal Payments, Transfers to Project Fund/Reserve Fund



# Budget Summary Comparison

	FY 2019	FY 2020	\$ Change	% Change
Revenues	\$59,896,846	\$62,958,729	\$3,061,883	5.1%
Expenses	<\$50,200,447>	<\$54,505,710>	<\$4,305,263>	} 7.3%
Other Uses	<\$8,429,446>	<\$8,399,092>	\$30,354	
<b>Net Cash Flow</b>	<b>\$1,266,953</b>	<b>\$53,927</b>	<b>&lt;\$1,213,026&gt;</b>	

\* Other Uses = Principal Payments, Transfers to Project Fund/Reserve Fund



# New Systems

## Impact on Year to Year Budget Changes

	<b>FY 2020 Consolidated Budget \$ Change</b>		<b>Boerne ISD</b>	<b>Carrizo Groundwater Supply</b>	<b>Existing Systems</b>
<b>Revenues</b>	<b>\$3,061,883</b>	=	\$87,942	\$1,080,000	\$1,893,941
<b>Expenses</b>	<b>\$4,305,263</b>	=	\$87,942	\$870,100	\$3,347,221



# Revenue Comparison

	FY 2019	FY 2020	\$ Change	% Change
Power Sales	3,988,390	2,886,845	<1,101,545>	<27.6%>
Water Sales, Pipeline & Reservoir	30,530,582	33,002,716	2,472,134	8.1%
Recreation & Land Use	967,157	1,064,424	97,267	10.1%
Wastewater Services	7,471,670	8,300,780	829,110	11.1%
Laboratory Services	995,222	877,800	<117,422>	<11.8%>
Rentals	198,588	198,588	0	0.0%
Administrative & General	3,807,231	4,158,722	351,491	9.2%
Miscellaneous & Grant Income	2,119,496	2,151,484	31,988	1.5%
Interest Income	180,050	620,025	439,975	244.4%
Capacity Charge (debt)	9,638,460	9,697,345	58,885	0.6%
<b>TOTAL REVENUE</b>	<b>\$59,896,846</b>	<b>\$62,958,729</b>	<b>\$3,061,883</b>	<b>5.1%</b>



# State/Federal Funds

## Grant Revenue Only

FY 2020 Misc/Grant Revenue Budget	
Miscellaneous	483,500
Pass Through Costs	958,704
Interlocal – Contributed by Customers	194,925
Grants	514,355
<b>Miscellaneous &amp; Grant Income</b>	<b>2,151,484</b>

FY 2020 Grant Revenue Budget	
Federal	307,375
State	206,980
<b>Grant Revenue</b>	<b>514,355</b>

GBRA **does not** receive any state appropriations.  
 GBRA **does not** have taxing authority.

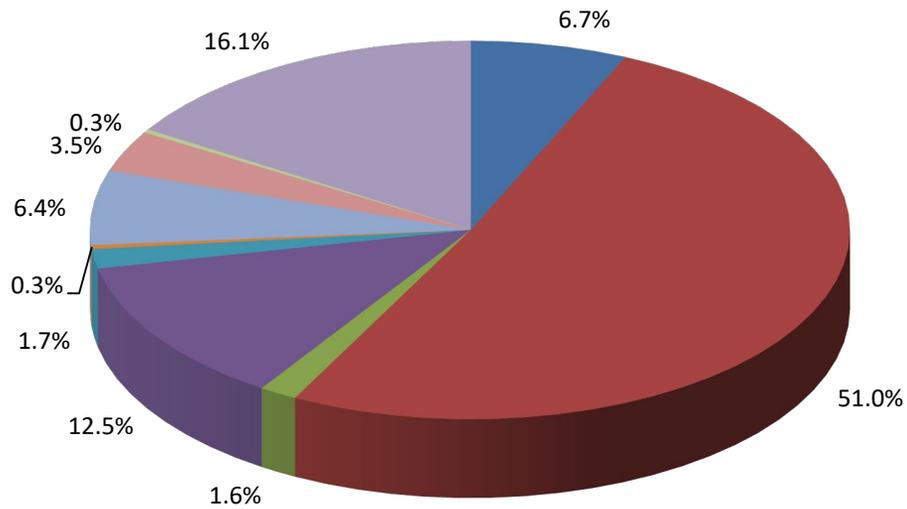
**Revenues are derived for services provided to and paid by customers.**

Grant applications, federal and state, must compete with other grant applications for funding. These are discretionary grants which are primarily for water quality monitoring and testing.

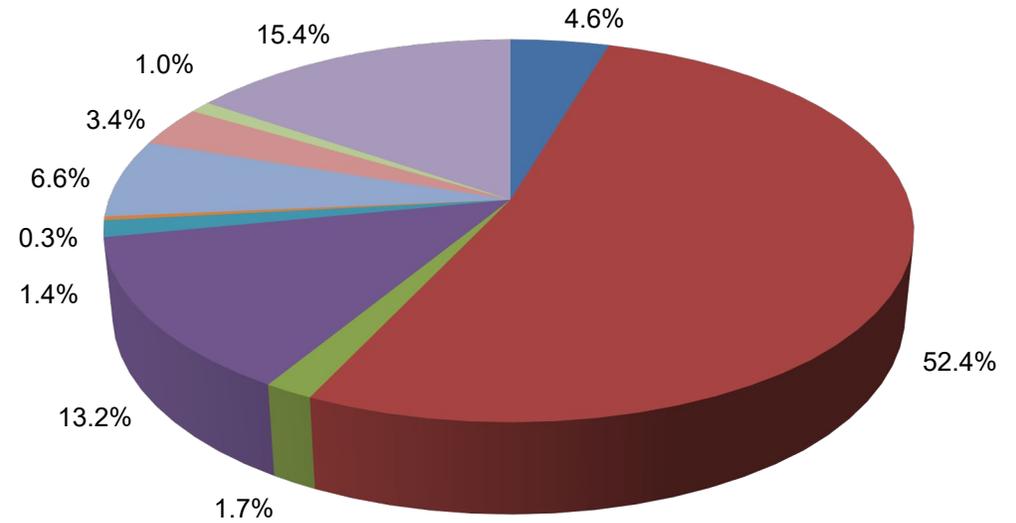


# Revenue Comparison

## FY 2019 Budget



## FY 2020 Budget



- Power Sales
- Water Sales, Pipeline & Reservoir
- Recreation & Land Use
- Wastewater Services
- Laboratory Services
- Rentals
- Administrative & General
- Miscellaneous & Grant Income
- Interest Income
- Capacity Charge (Debt)



# Revenue Highlights

- Water Sales, Pipeline & Reservoir – \$2.4 million increase (8%)
  - Additional revenue due to Womack water right
  - Revenue from Carrizo Groundwater Supply customers
  - Increase in pipeline revenue to cover increasing maintenance costs
  - Canyon water rate of \$151 per AFY – increase of \$4 (2.7%)

Fiscal Year	Firm Rate	Change from Prior Year
2020	\$151	\$4
2019	\$147	\$2
2018	\$145	\$3
2017	\$142	\$7
2016	\$135	\$5
2015	\$130	\$5
2014	\$125	\$0
2013	\$125	\$11
2012	\$114	\$4
2011	\$110	\$5

10 Year Historical Look



# Revenue Highlights

- Power Sales - \$1.1 million decrease (27%)
  - Inability to generate power at two dams/spillgates
- Wastewater Services – \$829,000 increase (11%)
  - Continued growth in customers/services – Dunlap, 4S Ranch, Johnson Ranch, Park Village, Cordillera, [addition of Boerne ISD](#)
  - 9% rate increase for Canyon Park and Dunlap monthly fee
- Interest Income – \$440,000 increase (244%)
  - Increases to align with market conditions



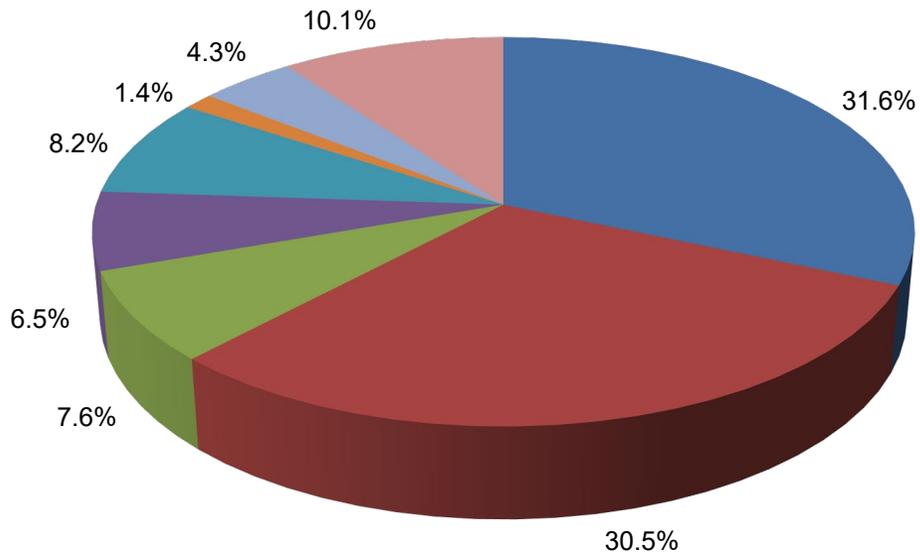
# Expense Comparison

	FY 2019	FY 2020	\$ Change	% Change
Personnel Costs	18,497,977	19,982,498	1,484,521	8.0%
Operating Supplies & Services	17,883,921	20,103,710	2,219,789	12.4%
Maintenance & Repairs	4,427,454	4,265,966	<161,488>	<3.6%>
Administrative & General	3,807,229	4,158,722	351,492	9.2%
Interest Expense (debt)	4,784,874	4,900,714	115,840	2.4%
Capital Outlay	798,992	1,094,100	295,108	36.9%
Transfers to Project & Reserve Funds	2,524,889	2,307,293	<217,596>	<8.6%>
Debt Service (principal)	5,904,557	6,091,799	187,242	3.2%
<b>TOTAL EXPENSES</b>	<b>\$58,629,893</b>	<b>\$62,904,802</b>	<b>\$4,274,908</b>	<b>7.3%</b>

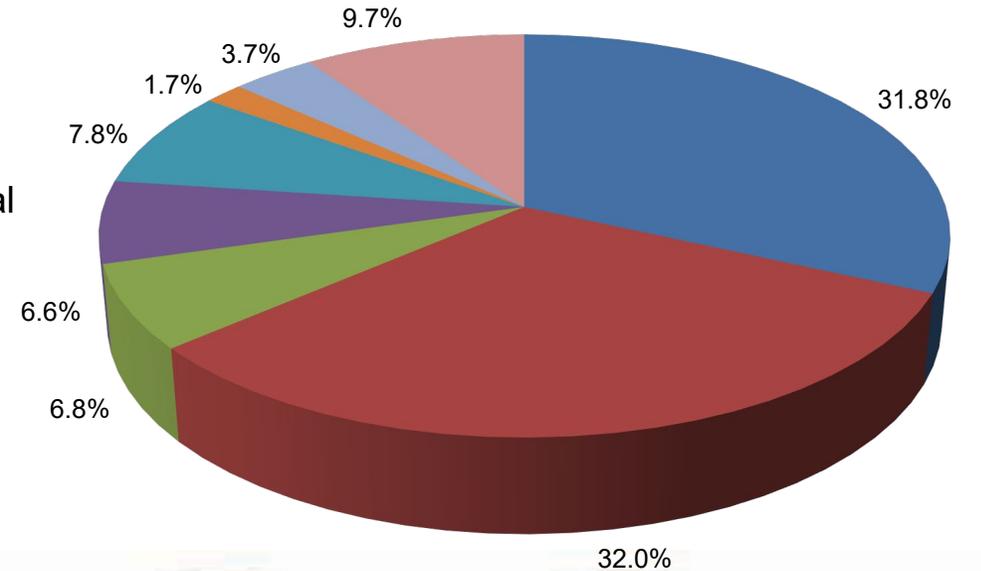


# Expense Comparison

## FY 2019 Budget



## FY 2020 Budget



- Personnel Costs
- Operating Supplies & Services
- Maintenance & Repairs
- Administrative & General
- Interest Expense
- Capital Outlay
- Transfers to Project & Reserve Funds
- Debt Service



# Expense Highlights

- Personnel Costs – \$1.4 million increase (8%)
  - 15.5 additional FTEs
- Operating Costs – \$2.2 million increase (12%)
  - Increase in utility costs
  - Increased water deliveries
  - Professional services (engineering, legal)
  - Carrizo groundwater leases



# Expense Highlights

- Capital Outlay – \$295,000 decrease (37%)

Examples of Items Included:

- Hydro jetter truck and video system for wastewater collection system
  - Preventive: Identify and prevent potential blockages in wastewater lines; maintenance crew added to implement
  - Allows for quicker response and resolution to blockages that may occur
- Back end computer system support equipment
- Vehicle purchases/leases
- Various equipment replacements



# Staffing Additions

Position	Division	# of FTE's	Need for Position
Help Desk Technician	General	1	IT workload, support of current and growing systems
Finance position	General	1	Continuity of operations, succession planning, transfer of knowledge
Director of Regulatory & Customer Affairs	General	1	New customer service function to focus on resolving issues/complaints ( <b>Sunset</b> )
Director of Governmental Relations	General	1	Promote/provide understanding of GBRA's operation/Build relationships
Belt Press Operator	Rural Utilities	1	Operation of portable press to support wastewater systems
Electrical/Instrumentation Technician Supervisor	Water Sales	1	Supervisory responsibilities to electrical technicians; serve as master technician
Asset Management position	Water Sales	1	Implement and maintain asset management program and system ( <b>Sunset</b> )
Engineer	Water Sales	1	Engineering workload, numerous projects
Maintenance Crew (wastewater collection, pipeline, resource)	Water Sales	4	Implement preventive program for wastewater collection systems; maintain and repair pipelines, right of ways and Nolte Island; dock inspections
Park Ranger	Canyon Gorge	1	Provide oversight for growing operation as well as security and safety of patrons and attending to ADA needs
Part-Time Camp Counselors	Canyon Gorge	2.5	Lead increasing number of educational classroom visits
	<b>TOTAL</b>	<b>15.5</b>	



# Designated/Capital Improvement Program

## Budget/Reserve Funded

Project #	Division	Funding Source	Project Description	Previous Funding	Current/ Future Funding	TOTALS
1	010 - General	Budget	Asset Management Program	\$450,000	\$325,000	\$775,000
2	029 - GV Hydro	Reserves	Spillgate Rehabilitation & Replacement	\$8,768,000	\$0	\$8,768,000
3	032 - Canyon Park	Reserves	Canyon Park Expansion	\$1,601,000	(\$150,000)	\$1,451,000
4	034 - Northcliffe	Reserves	Northcliffe WW Plant Decommissioning	\$0	\$150,000	\$150,000
5	041 - Water Sales	Reserves	RRWDS Water Intake Modifications	\$0	\$4,000,000	\$4,000,000
6	041 - Water Sales	Budget	Diversion System Improvements (including siphon/radial gate)	\$600,000	\$0	\$600,000
7	041 - Water Sales	Budget	Ground/Surface Water Interactions Investigations	\$100,000	\$0	\$100,000
8	041 - Water Sales	Budget	Gorge, North Rim Trail	\$45,000	\$0	\$45,000
9	041 - Water Sales	Budget	Gorge, Building	\$50,000	\$0	\$50,000
10	041 - Water Sales	Budget	Surface Water Rights	\$301,000	\$0	\$301,000
11	041 - Water Sales	Budget	Corps of Engineers - Dam Costs/Projects	\$742,740	\$0	\$742,740
12	041 - Water Sales	Budget	S. Marcos WTP Backwash Filter Blower	\$51,428	\$0	\$51,428
13	043 - Calhoun Canal	Budget	Canal System Improvements	\$100,000	\$0	\$100,000
14	050 - Western Canyon	3rd Party	SH 46 Pipeline Relocation - Engineering	\$0	\$530,036	\$530,036
15	050 - Western Canyon	Budget	FM 3351 Pump Station Upgrades	\$55,000	\$0	\$55,000
16	053 - Cordillera WWTP	Budget	SCADA system upgrade	\$37,000	\$0	\$37,000
17	070 - Rural Water	Reserves	Crestview Wastewater Treatment Plant	\$0	\$600,000	\$600,000
18	100 - Luling WTP	Budget	Emergency Generator	\$161,479	\$215,306	\$376,785
<b>TOTALS</b>				<b>\$13,062,647</b>	<b>\$5,670,342</b>	<b>\$18,732,989</b>

# Designated/Capital Improvement Program

## Bond Funded

Project #	Division	Project Description	Previous Funding	Current/ Future Funding	TOTALS
A	033 - Dunlap	Dunlap WW System	\$0	\$32,990,000	\$32,990,000
B	039 - Dietz	Dietz WW System	\$0	\$6,300,000	\$6,300,000
C	041 - Water Sales	Lower Basin Storage Project	\$452,500	\$35,176,000	\$35,628,500
D	041 - Water Sales	Carrizo Groundwater Supply Project	\$58,210,000	\$107,645,000	\$165,855,000
E	041 - Water Sales	Mid Basin Project (ASR & OCR)	\$0	\$500,000	\$500,000
F	041 - Water Sales/010 - General	New Braunfels office expansion	\$0	\$6,850,000	\$6,850,000
G	060 - Port Lavaca Water Treatment	Port Lavaca WTP Replacement	\$0	\$59,764,500	\$59,764,500
H	070 - Calhoun County Rural Water	Distribution System Improvements	\$225,000	\$3,642,100	\$3,867,100
		<b>TOTALS</b>	<b>\$58,887,500</b>	<b>\$252,867,600</b>	<b>\$311,755,100</b>



# Guadalupe Valley Hydroelectric

## Financial Performance and Contributions From Other Funds

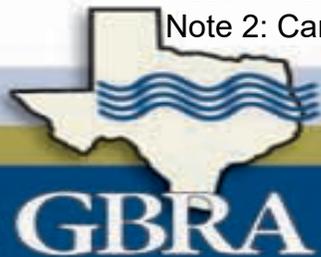
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Electricity Generated (millions of Kilowatts per hour)	25.7	71.6	42.1	31.4	23.4	18.5	37.3	68.0	63.0	30.0
Operating Income (Loss) * audited financials	(\$1.0 M)	(\$357 K)	(\$317 K)	(\$496 K)	(\$894 K)	(\$1.2 M)	(\$818 K)	\$258 K	\$62 K	(\$1.8 M)

K = thousands; M = millions

Contributions From Other Funds	Year	Amount
Interfund Loan Accumulation	Since 2003	<\$4,437,257>
Designated: Dam/Spillgate Rehabilitation	FY 2018	<\$3,768,000>
Designated: Dam/Spillgate Design & Replacement	FY 2019	<\$5,000,000>
	<b>TOTAL</b>	<b>&lt;\$13,205,257&gt;</b>

Note 1: All electricity generated by GV Hydro is purchased by the Guadalupe Valley Electric Cooperative (GVEC).

Note 2: Canyon Hydroelectric is a separate operating division and expenses are 100% covered by revenues from New Braunfels Utilities (NBU).



**GBRA**

**Guadalupe-Blanco River Authority**  
*flowing solutions*