

San Antonio Water System

CONDENSED MONTHLY FINANCIAL REPORT December 2018



San Antonio, Texas

CONDENSED MONTHLY FINANCIAL REPORT SAN ANTONIO WATER SYSTEM DECEMBER 31, 2018

Attached is the monthly financial report of the San Antonio Water System (SAWS) for the month ended December 31, 2018. This report presents financial and management information for all funds, activities, and programs for which the Board of Trustees has been given responsibility to manage and control.

FINANCIAL HIGHLIGHTS

- SAWS' net position increased by \$15.1 million during the month.
- Operating revenues for the month of \$56.9 million were \$1.5 million favorable to budget and \$3.1 million more than a year ago.
- Operating expenses before depreciation for the month of \$38.2 million were \$4.6 million unfavorable to budget and \$3.9 million more than the prior year.
- Net interest expense was \$4.4 million favorable to budget for the month and \$2.8 million less than the prior year.
- SAWS' net income before capital contributions for the month of \$0.8 million was \$1.5 million favorable to budget and \$1.4 million more than December 2017.
- Capital contributions for the month were \$14.3 million compared to the budget of \$10.8 million and \$11.0 million in December 2017.

OVERALL FINANCIAL CONDITION

		December 31, 2018
<i>(\$ in thousands)</i>		
Assets	\$	6,375,409
Deferred Outflows of Resources		84,790
Liabilities		(3,329,529)
Deferred Inflows of Resources		(23,848)
Total Net Position	\$	<u>3,106,822</u>
Net Investment in Capital Assets	\$	2,353,986
Restricted Net Position		384,633
Unrestricted Net Position		368,203
Total Net Position	\$	<u>3,106,822</u>

During the month, SAWS' total assets and deferred outflows of resources increased \$57.6 million due to increases in accounts receivable, prepaid expenses and investments in capital assets. Total liabilities and deferred inflows of resources increased \$43.5 million as increases in bond interest payable, deferred inflows related to pension and OPEB, and accounts payable related to operations and construction more than offset a decrease in pension liability.

Working capital totaled \$535.2 million and includes an operating reserve of \$56.6 million in accordance with SAWS' ordinance requirement of a two-month reserve amount based upon the current fiscal year's budget for operating and maintenance expense. SAWS' net position ratio was 48.1% at December 31, 2018, 48.3% at November 30, 2018 and 46.4% at December 31, 2017.

SAWS' bond ordinance requires SAWS to set rates and charges sufficient to maintain a debt coverage ratio of at least 1.25x the current year annual debt service on outstanding senior lien debt. The following chart includes SAWS' current year debt coverage ratios for both senior lien and total bonded debt. The improvement in debt coverage since December 2017 reflects stronger operating performance combined with a slight reduction in senior lien debt service, resulting from the fact that no debt has been issued at the senior lien level since 2012.

Debt Coverage Ratios			
	12/31/2018	11/30/2018	12/31/2017
Current Year Debt Service - Senior Lien Debt	6.69	6.62	6.06
Current Year Debt Service - Total Debt	2.01	1.99	1.89

As of December 31, 2018, SAWS is in compliance with the terms and provisions of the ordinances and documents related to its outstanding bonds and tax-exempt commercial paper.

RESULTS OF OPERATIONS

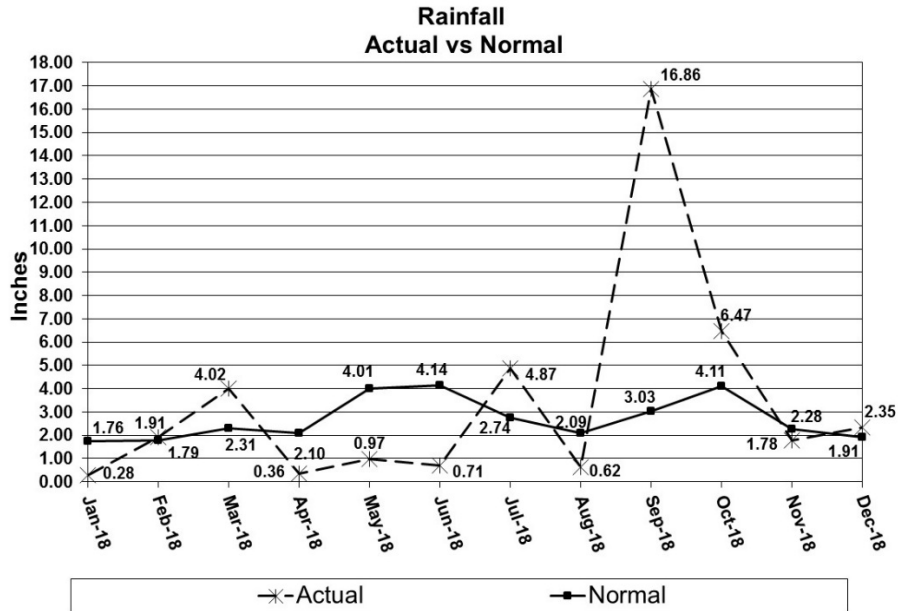
The following table shows a consolidated summary of SAWS' Statement of Revenues, Expenses and Changes in Net Position for the month of December 2018 with comparisons to both the budget and the prior year.

(\$ in thousands)	December-18		Fav (Unfav) Variance	December-17	Fav (Unfav) Variance
	Actual	Budget*	To Budget	Actual	To Prior Year
Operating Revenues					
Water Supply System	\$ 15,337	\$ 16,032	\$ (695)	\$ 15,770	\$ (433)
Water Delivery System	17,656	17,256	400	15,014	2,642
Wastewater System	23,198	21,186	2,012	22,195	1,003
Chilled Water System	685	861	(176)	816	(131)
Total operating revenues	56,876	55,335	1,541	53,795	3,081
Operating Expenses Before Depreciation	38,234	33,610	(4,624)	34,370	(3,864)
Depreciation Expense	13,802	13,390	(412)	12,788	(1,014)
Total operating expenses	52,036	47,000	(5,036)	47,158	(4,878)
Operating Income	4,840	8,335	(3,495)	6,637	(1,797)
Miscellaneous Revenues	20	-	20	12	8
Investment income	4,077	652	3,425	(834)	4,911
Interest Expense	6,988	7,916	928	4,842	(2,146)
Payments to the City of San Antonio	1,567	1,440	(127)	1,358	(209)
Other Non-operating Expense	(379)	404	783	211	590
Net Income (Loss) Before Capital Contributions	761	(773)	1,534	(596)	1,357
Contributions in Aid of Construction	1,203	-	1,203	1,779	(576)
Capital Recovery Fees	5,685	5,568	117	4,003	1,682
Plant Contributions	7,445	5,250	2,195	5,171	2,274
Total Contributions	14,333	10,818	3,515	10,953	3,380
Change in Net Position	\$ 15,094	\$ 10,045	\$ 5,049	\$ 10,357	\$ 4,737

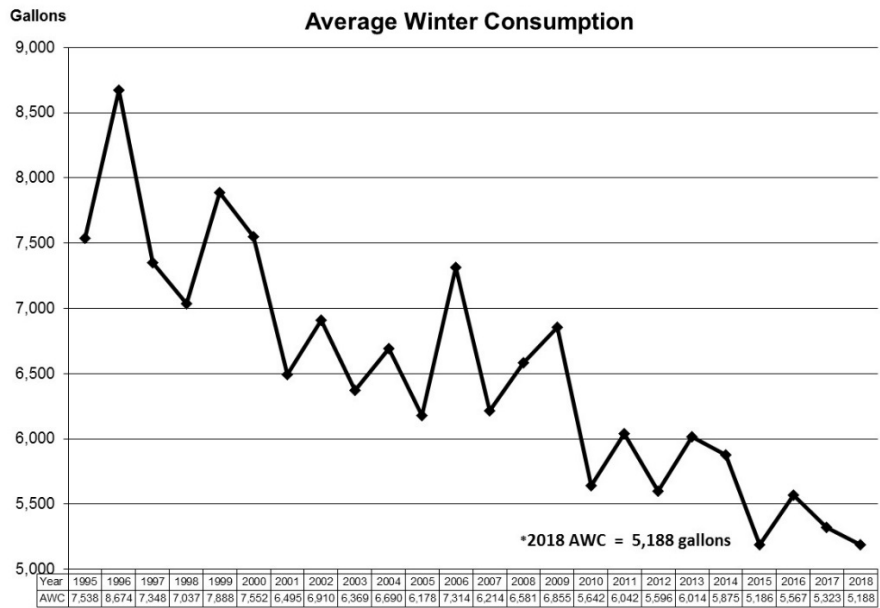
*Budget includes adjustments to certain benefit related costs in order to comply with generally accepted accounting principles. The budget reflected on the Schedule of Sources and Uses reflects these costs on a cash basis, which is utilized for rate-making purposes.

Total operating revenues were \$1.5 million favorable to budget and \$3.1 million more than December 2017. Water delivery and supply revenues of \$33.0 million were \$0.3 million unfavorable to budget but \$2.2 million more than December 2017.

Despite below average rainfall in November, December's billed usage was 9.1% less than budget as a result of total rainfall being 15.7 inches above normal for September through November. The decrease in usage was partially mitigated by the adjustments to accrue for December's unbilled revenue, which is an estimate of revenues between the last meter read date and December 31st. The average water rate adjustment of 7.6% that went into effect on February 1, 2018 combined with the unbilled revenue adjustments more than offset the 11.3% decrease in usage from December 2017, which resulted in an increase in revenue from the prior year.



Wastewater revenue for the month of \$23.2 million was \$2.0 million favorable to budget and \$1.0 million more than the prior year. The adjustments to accrue for December's unbilled revenue contributed to the favorable budget variance. The residential Average Winter Consumption (AWC) of 5,188 gallons that went into effect in April 2018 was consistent with the budgeted AWC of 5,192 but 2.5% less than the previous AWC. The adjustments to accrue for unbilled revenue along with a 3.6% rate increase that went into effect on February 1, 2018 offset the impact of the decrease in AWC, resulting in the increase in revenues from the prior year.



Operating expenses before depreciation of \$38.2 million were \$4.6 million unfavorable to budget for the month and \$3.9 million more than a year ago. Unfavorable budget variances in healthcare benefits, maintenance expenses, water options and capitalized expenses more than offset a favorable budget variance in utilities. The increase in expenses to last year is primarily due to increased spending on salaries and benefits, water options and decreased capitalized expenses.

Investment income for the month was \$3.4 million favorable to budget and \$4.9 million more than December 2017. The yield on SAWS investment portfolio was 2.30% for the month compared to the budgeted yield of 1.00% and 1.29% earned on the portfolio a year ago. A \$2.1 million mark to market adjustment recorded in December contributed to the favorability to budget and to last year.

Interest expense for the month was \$0.9 million favorable to budget but \$2.1 million more than December 2017. The conservative nature of the budgeting process, which ensures that current rates are sufficient to support the current year's construction program, contributed to the favorable variance from budget. The increase from the prior year is due to the issuance of additional revenue bonds in April 2018 and a \$1.9 million decrease in capitalized interest from 2017.

In December 2018, capital contributions included \$5.7 million from impact fees and \$7.4 million from plant contributions from developers and \$1.2 million from contributions in aid of construction. Impact fees and plant contributions can vary significantly from month-to-month but are an indication of development activity in the San Antonio region. Growth in the number of customer connections averaged 1.8% over the last 12 months (January 2018 - December 2018) and 1.7% for the preceding 12 month period (January 2017 - December 2017).

CASH FLOWS

Cash and cash equivalents decreased \$1.6 million during December 2018. Cash inflows during the month included \$20.9 million from operations, \$5.7 million in proceeds from developers, \$1.2 million in contributions in aid of construction, and \$3.3 million from investment activities. Cash outflows for the month consisted primarily of \$30.9 million spent on the acquisition and construction of property, plant and equipment.

The following table summarizes the Capital Improvement Programs (CIP) from 2016 through 2018. In order to fully execute the planned CIP, SAWS is projected to award \$55.7 million in additional capital contracts. Additionally, outstanding commitments on awarded contracts total \$577.1 million at December 31, 2018.

<i>(\$ in millions)</i>	Original	Revised		Percent
Plan Year	Plan	Plan	Commitments	Committed
CY2018	\$ 391.4	\$ 430.5	\$ 395.8	91.9%
CY2017	367.5	346.7	337.0	97.2%
CY2016	246.6	278.0	270.2	97.2%
	<u>\$ 1,005.5</u>	<u>\$ 1,055.2</u>	<u>\$ 1,003.0</u>	95.1%

RESTATED NET POSITION

In August 2018, SAWS adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) with an effective date of January 1, 2018. In accordance with this pronouncement, SAWS recorded a charge to unrestricted net position as of January 1, 2018 of \$18.3M to reflect the Net OPEB Liability for SAWS defined benefit OPEB plan. Sufficient data was not available for the OPEB plan to restate the financial statements for the year ended December 31, 2017, therefore, as permitted by GASB Statement No. 75, only the financial statement information for the twelve months ended December 31, 2018 reflects the requirements of these new accounting rules for OPEB plans.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Douglas P. Evanson', written in a cursive style.

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

**CONDENSED
MONTHLY FINANCIAL REPORT
SAN ANTONIO WATER SYSTEM
December 31, 2018**

Table of Contents

Statement of Net Position	1 - 2
Statement of Revenues, Expenses and Changes in Net Position	3
Statement of Cash Flows	4 - 5
Consolidating Schedule of Sources and Uses of Funds – Current Month	6
Consolidating Schedule of Sources and Uses of Funds – Year-to-Date	7
Consolidating Schedule of Sources and Uses of Funds – Water Supply – Current Month	8
Consolidating Schedule of Sources and Uses of Funds – Water Supply – Year-to-Date	9
Operation and Maintenance Expense by Account	10 - 11
Investment Portfolio	12
Key Financial Ratios	13
Construction in Progress Summary – Total	14 - 15
Statistical Data	16

San Antonio Water System
STATEMENT OF NET POSITION
December 31, 2018

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 58,063,905	\$ 36,687,918
Investments	436,822,291	349,066,736
Accrued interest receivable	3,784,004	2,335,799
Accounts receivable - net of allowance for uncollectable accounts of \$7,441,672 and \$8,216,938 respectively	69,255,064	75,485,524
Inventory - materials and supplies	5,822,744	5,556,196
Prepaid expenses	4,673,214	3,917,423
Total current unrestricted assets	<u>578,421,222</u>	<u>473,049,596</u>
 RESTRICTED ASSETS		
Debt Service Fund		
Cash and Cash Equivalents	16,472,661	350,168
Investments	63,766,512	74,992,685
Construction Funds		
Investments	42,271,962	42,959,302
Operating Reserve - System Fund	56,641,975	54,143,274
Total current restricted assets	<u>179,153,110</u>	<u>172,445,429</u>
Total current assets	<u>757,574,332</u>	<u>645,495,025</u>
 NONCURRENT ASSETS		
Restricted Noncurrent Assets		
Reserve fund:		
Cash and cash equivalents	1,733,824	13,530,522
Investments	85,413,330	75,413,290
Construction funds:		
Cash and cash equivalents	53,719,205	79,131,864
Investments	210,883,180	198,682,496
 CAPITAL ASSETS		
Utility plant in service	6,478,798,256	6,491,266,084
Less allowance for depreciation	2,083,321,142	2,129,602,438
	<u>4,395,477,114</u>	<u>4,361,663,646</u>
Land, water rights and other intangible assets	363,728,616	357,392,410
Construction in Progress	506,878,984	332,720,668
Total capital assets	<u>5,266,084,714</u>	<u>5,051,776,724</u>
TOTAL ASSETS	6,375,408,585	6,064,029,921
 DEFERRED OUTFLOWS OF RESOURCES		
Loss on bond refunding	42,048,068	48,055,374
Deferred outflows - pension & OPEB plans	33,410,330	33,427,595
Derivative Instrument	9,331,899	11,857,392
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>84,790,297</u>	<u>93,340,361</u>
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,460,198,882</u>	<u>\$ 6,157,370,282</u>

San Antonio Water System
STATEMENT OF NET POSITION - continued
December 31, 2018

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	2018	2017
CURRENT LIABILITIES		
Accounts payable	\$ 36,720,088	\$ 30,654,819
Customers' deposits	15,570,544	14,135,177
Third party billing collections payable	1,284,975	1,188,367
Accrued vacation pay	5,491,973	5,421,986
Accrued payroll and benefits	4,965,656	4,774,565
Accrued claims payable	4,940,344	4,683,061
Accrued stormwater services	3,878,387	3,737,531
Health Insurance Payable	2,619,540	1,867,093
Sundry payables and deferred income	1,430,601	1,412,934
Total current unrestricted liabilities	76,902,108	67,875,533
 LIABILITIES PAYABLE FROM RESTRICTED FUNDS		
Debt Service Fund		
Accrued interest payable	16,153,387	15,624,088
Construction funds:		
Contract retainage payable	11,803,227	16,907,826
Sundry payables	30,468,735	26,051,476
Revenue bonds payable within one year	87,060,001	84,875,000
Total current restricted liabilities	145,485,350	143,458,390
Total current liabilities	222,387,458	211,333,923
 LONG-TERM LIABILITIES		
Accrued vacation payable	4,320,771	4,122,231
Long-term unfunded post-retirement obligations	88,179,734	68,932,543
Net pension liability	38,919,639	72,056,343
Derivative Instrument	12,515,709	15,394,184
Commercial paper notes	215,695,000	278,060,000
Revenue bonds payable after one year	2,544,154,999	2,452,644,999
Unamortized premium	204,171,490	199,640,199
Less unamortized discount	(815,667)	(1,420,395)
Total long-term liabilities	3,107,141,675	3,089,430,104
Total Liabilities	3,329,529,133	3,300,764,027
 DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - pension & OPEB plans	23,847,653	2,327,591
TOTAL DEFERRED INFLOWS	23,847,653	2,327,591
TOTAL LIABILITIES & DEFERRED INFLOWS OF RESOURCES	3,353,376,786	3,303,091,618
 NET POSITION		
Restricted:		
Net investment in capital assets	2,353,986,036	2,216,943,933
Restricted for construction	209,203,733	188,227,496
Restricted for debt service	64,085,783	59,718,762
Restricted for debt service reserve	54,701,535	56,363,887
Restricted for operating reserve	56,641,975	54,143,274
Total Restricted Net Position	2,738,619,062	2,575,397,352
Unrestricted Net Position	368,203,034	278,881,312
TOTAL NET POSITION	\$ 3,106,822,096	\$ 2,854,278,664

San Antonio Water System
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Twelve months ended December 2018

	2018 YTD Actual	2018 YTD Budget*	2017 YTD Actual	Variance	
				To Budget	To Prior Year
Operating revenues:					
Water Resources - Misc.	\$ 2,897,166	\$ 2,313,317	\$ 2,693,683	\$ 583,849	\$ 203,483
Water Supply Fee	156,516,680	164,574,658	155,229,877	(8,057,978)	1,286,803
EAA/TCEQ Fee	24,721,057	25,979,801	25,385,131	(1,258,744)	(664,074)
Recycle Water	5,567,607	5,496,073	5,648,732	71,534	(81,125)
Stormwater	5,221,318	5,203,996	5,226,264	17,322	(4,946)
Metered Water	218,159,997	219,692,215	202,031,055	(1,532,218)	16,128,942
Conservation Metered Water	11,634,300	11,167,752	11,072,187	466,548	562,113
Wastewater service charges	260,322,608	254,775,506	251,956,992	5,547,102	8,365,616
Chilled water	10,849,007	10,327,195	11,368,361	521,812	(519,354)
Less: Uncollectible accounts	(4,843,960)	(4,312,839)	(3,860,379)	(531,121)	(983,581)
Total operating revenues	691,045,780	695,217,674	666,751,903	(4,171,894)	24,293,877
Operating expenses:					
Salaries and fringe benefits	149,970,482	158,729,119	148,057,968	8,758,637	(1,912,514)
Contractual services	171,031,602	181,533,919	168,349,367	10,502,317	(2,682,235)
Materials & supplies	23,484,670	23,537,683	23,159,419	53,013	(325,251)
Other charges	11,718,284	10,048,324	11,149,503	(1,669,960)	(568,781)
Capitalized cost	(31,611,623)	(33,997,220)	(32,275,535)	(2,385,597)	(663,912)
Intercompany transfers	-	-	-	-	-
Total operating expenses before depreciation	324,593,415	339,851,825	318,440,722	15,258,410	(6,152,693)
Depreciation expense	154,421,762	157,426,765	152,072,084	3,005,003	(2,349,678)
Total operating expenses	479,015,177	497,278,590	470,512,806	18,263,413	(8,502,371)
Operating income (loss)	212,030,603	197,939,084	196,239,097	14,091,519	15,791,506
Non-operating revenues:					
Miscellaneous revenue	3,714,856	3,547,135	3,763,892	167,721	(49,036)
Interest earned	17,696,083	7,825,000	8,416,739	9,871,083	9,279,344
Gain/(Loss) on Investments - Mark to Market	1,076,851	-	(1,773,701)	1,076,851	2,850,552
Total non-operating revenues	22,487,790	11,372,135	10,406,930	11,115,655	12,080,860
Non-operating expenses:					
Debt issuance costs	1,710,957	2,363,189	1,385,249	652,232	(325,708)
Other financing charges	1,957,188	2,363,189	2,697,439	406,001	740,251
Interest expense:					
Revenue bonds and commercial paper	113,104,303	134,630,145	109,358,850	21,525,842	(3,745,453)
Capitalized interest	(6,561,600)	(6,100,000)	(6,016,261)	461,600	545,339
Amortized discount/premiums/Loss on refunding	(18,001,235)	(17,037,624)	(16,727,826)	963,611	1,273,409
Loss (gain) on sale of fixed assets	(923,536)	-	(951,447)	923,536	(27,911)
Transfers to GKDA	101,032	122,400	107,859	21,368	6,827
Transfers to City of San Antonio	18,287,245	18,075,610	17,276,136	(211,635)	(1,011,109)
Total non-operating expenses	109,674,354	134,416,910	107,129,999	24,742,556	(2,544,355)
Net income (loss) before capital contributions	124,844,039	74,894,309	99,516,028	49,949,730	25,328,011
Capital contributions:					
Contributions in aid of construction	6,434,819	-	7,925,609	6,434,819	(1,490,790)
Capital recovery fees	79,793,985	72,877,505	72,845,734	6,916,480	6,948,251
Plant contributions	59,761,354	63,000,000	60,642,620	(3,238,646)	(881,266)
Total capital contributions	145,990,158	135,877,505	141,413,963	10,112,653	4,576,195
CHANGE IN NET POSITION	270,834,197	210,771,814	240,929,991	60,062,383	29,904,206
NET POSITION, beginning balances ¹	2,835,987,899	2,854,278,664	2,613,348,673		
NET POSITION, ending balances	\$ 3,106,822,096	\$ 3,065,050,478	\$ 2,854,278,664		

¹In August 2018, SAWS implemented GASB 75 and adjusted beginning net position by \$17.3M in accordance with the pronouncement.

*Budget includes amounts for non-cash items not included in the Board approved Sources & Uses budget.

**San Antonio Water System
STATEMENT OF CASH FLOWS
Twelve months ended December 2018**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 692,882,376	\$ 655,309,769
Cash paid to vendors for operations	(197,889,935)	(191,641,528)
Cash paid to employees for services	(128,300,068)	(128,065,114)
Net cash provided by operating activities	<u>366,692,373</u>	<u>335,603,127</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to the City of San Antonio	(12,440,347)	(12,074,603)
Payments to other entities	(101,707)	(106,618)
Net cash used for noncapital financing activities	<u>(12,542,054)</u>	<u>(12,181,221)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets	1,114,706	1,125,117
Proceeds from developers for plant construction	79,793,985	72,845,734
Proceeds from contributions in aid of construction	6,434,819	7,925,609
Payments for the acquisition and construction of plant and equipment	(305,550,751)	(259,027,713)
Proceeds from commercial paper	67,000,000	40,000,000
Payment for retirement of commercial paper	(3,710,000)	(3,550,000)
Proceeds from revenue bonds	82,101,272	202,606,819
Payment for retirement/refunding of revenue bonds	(84,875,000)	(283,335,000)
Payment of interest on commercial paper	(5,489,632)	(4,874,656)
Payment of interest on revenue bonds	(107,468,904)	(106,424,364)
Payment for bond related expenses	(1,710,957)	(1,385,249)
Payment for finance charges	(1,998,853)	(2,659,937)
Net cash used for capital and related financing activities	<u>(274,359,315)</u>	<u>(336,753,640)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(745,515,027)	(856,812,123)
Maturity of investments	646,050,412	831,638,463
Interest income and other	19,962,735	11,469,692
Net cash provided (used) by investing activities	<u>(79,501,880)</u>	<u>(13,703,968)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	289,124	(27,035,702)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF YEAR	129,700,472	156,736,174
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	<u>\$ 129,989,596</u>	<u>\$ 129,700,472</u>

San Antonio Water System
STATEMENT OF CASH FLOWS
Twelve months ended December 2018

	2018	2017
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET ASSETS		
Cash and Cash Equivalents		
Unrestricted		
System Fund	\$ 58,063,905	\$ 36,687,918
Restricted		
Debt Service Fund	16,472,661	350,168
Reserve Fund	1,733,824	13,530,522
Construction Fund	53,719,205	79,131,864
	\$ 129,989,595	\$ 129,700,472
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 212,030,603	\$ 196,239,097
Adjustments to reconcile operating income to net cash provided by operating activities:		
Non-cash revenues from City of San Antonio	(5,846,223)	(5,202,774)
Provision for uncollectible accounts	4,843,960	3,860,379
Charge-off prior year construction expenditures to operating expense	5,001,543	1,662,571
Depreciation expense	154,421,762	152,072,084
Change in assets, deferred outflows, liabilities and deferred inflows:		
(Increase)/Decrease in accounts receivable	1,386,500	(9,923,888)
(Increase)/Decrease in inventory	(266,548)	(475,665)
(Increase)/Decrease in prepaid expenses	(755,791)	692,853
(Decrease)/Increase in accounts payable	3,359,670	(3,399,703)
(Decrease)/Increase in amount due for third party collections	96,608	87,604
(Decrease)/Increase in accrued vacation payable	268,527	691,272
(Decrease)/Increase in accrued payroll and benefits	191,090	636,808
(Decrease)/Increase in claims payables	257,283	145,088
(Decrease)/Increase in accrued stormwater services	140,856	293,460
(Decrease)/Increase in health claims payables	752,447	(230,606)
Decrease/(Increase) in deferred outflows - pension & OPEB plans	13,726,265	(5,312,394)
(Decrease)/Increase in deferred inflows - pension & OPEB plans	21,520,062	(465,817)
(Decrease)/Increase in unfunded post-retirement obligations	(45,889,275)	4,409,851
(Decrease)/Increase in sundry payables and accruals	17,667	(931,305)
(Decrease)/Increase in customers' deposits	1,435,367	754,212
Total Adjustments	154,661,770	139,364,030
Net cash provided by operating activities	\$ 366,692,373	\$ 335,603,127

San Antonio Water System
CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS
 Month ended December 2018

SOURCES OF FUNDS	Water Supply System	Water Delivery System	Wastewater System	Chilled Water System	Total System	Budget		
						Current Allotments	Favorable (Unfavorable)	Variance
OPERATING REVENUES								
Water Resources - Misc.	\$ 451,669	\$ -	\$ -	\$ -	\$ 451,669	\$ 192,776	\$ 258,893	134.30%
Water Supply Fee	11,257,746	-	-	-	11,257,746	11,997,874	(740,128)	-6.17%
EAA/TCEQ Pass Through Fees	1,744,676	142,571	39,372	-	1,926,619	2,036,967	(110,348)	-5.42%
Recycled water system	287,707	-	-	-	287,707	438,479	(150,772)	-34.39%
Stormwater	435,112	-	-	-	435,112	433,666	1,446	0.33%
Metered Water - Conservation	793,905	-	-	-	793,905	829,540	(35,635)	-4.30%
Metered Water - Water Delivery	-	18,085,011	-	-	18,085,011	17,917,995	167,016	0.93%
Affordability Discount Program	(102,652)	(102,652)	(247,113)	-	(452,417)	(473,417)	21,000	4.44%
Wastewater System	-	-	22,824,725	-	22,824,725	20,979,318	1,845,407	8.00%
Wastewater Surcharge	-	-	580,608	-	580,608	480,777	99,831	20.76%
Chilled water	-	-	-	684,627	684,627	860,600	(175,973)	-20.45%
Operating Transfer	469,167	(469,167)	-	-	-	-	-	0.00%
Less: Uncollectible Accounts	-	-	-	-	-	(359,403)	359,403	-100.00%
Total operating revenues	15,337,330	17,655,763	23,197,592	684,627	56,875,312	55,335,171	1,540,141	2.78%
NON-OPERATING REVENUES								
Interest earned and miscellaneous	616,506	471,736	649,163	13,079	1,750,484	558,333	1,192,151	213.52%
Interest earned on Project Fund & R&R Funds	23,027	45,405	154,721	1,048	224,201	93,750	130,451	139.15%
Total non-operating revenues	639,533	517,141	803,884	14,127	1,974,685	652,083	1,322,602	202.83%
CAPITAL CONTRIBUTIONS								
Capital Recovery and Service Extension Fees	2,696,303	1,557,885	1,431,150	-	5,685,338	5,568,001	117,337	2.11%
Contributions in aid of construction	-	-	1,203,170	-	1,203,170	-	1,203,170	-
Total capital contributions	2,696,303	1,557,885	2,634,320	-	6,888,508	5,568,001	1,320,507	23.72%
TOTAL SOURCES OF FUNDS	\$ 18,673,166	\$ 19,730,789	\$ 26,635,796	\$ 698,754	\$ 65,738,505	\$ 61,555,256	\$ 4,183,249	6.80%
USES OF FUNDS								
OPERATION AND MAINTENANCE*								
Salaries and fringe benefits	\$ 2,998,000	\$ 5,140,337	\$ 5,719,572	\$ 148,280	\$ 14,006,189	\$ 14,636,423	\$ 630,234	4.31%
Contractual services	11,032,425	4,475,826	5,222,273	321,070	21,051,594	19,276,956	(1,774,638)	-9.21%
Materials and supplies	161,311	773,145	1,579,568	47,981	2,562,005	1,930,983	(631,022)	-32.68%
Other charges	295,854	426,500	546,790	31,374	1,300,518	871,306	(429,212)	-49.26%
Capitalized cost	(377,574)	(1,162,007)	(1,029,599)	(7,849)	(2,577,029)	(3,105,858)	(528,829)	-17.03%
Total operation and maintenance	14,110,016	9,653,801	12,037,437	540,856	36,342,110	33,609,809	(2,732,301)	-8.13%
OPERATING RESERVE REQUIREMENT	-	-	-	-	-	-	-	0.00%
DEBT REQUIREMENTS								
Revenue Bonds:								
Interest costs	1,867,950	3,329,323	3,931,935	73,565	9,202,773	10,679,271	1,476,498	13.83%
Retirement of bonds	2,041,400	2,446,395	2,666,487	102,915	7,257,197	7,951,528	694,331	8.73%
Subordinate lien debt:								
Interest costs	138,204	21,705	51,067	32,338	243,314	286,440	43,126	15.06%
Retirement of bonds	183,656	28,842	67,863	42,973	323,334	318,610	(4,724)	-1.48%
Net variable interest - swap	5,017	11,950	1,855	1,173	19,995	-	(19,995)	0.00%
Commercial paper notes	40,868	91,046	76,347	1,508	209,769	253,467	43,698	17.24%
Other Debt Expense	121,217	91,179	(436,884)	(1,262)	(225,750)	196,932	422,682	214.63%
Total debt requirements	4,398,312	6,020,440	6,358,670	253,210	17,030,632	19,686,249	2,655,617	13.49%
TRANSFER TO THE CITY'S GENERAL FUND	381,159	506,606	660,525	18,852	1,567,142	1,439,567	(127,575)	-8.86%
AMOUNT AVAILABLE FOR R&R FUNDS:								
RESTRICTED	2,719,330	1,603,290	2,789,041	1,048	7,112,709	5,661,751	1,450,958	25.63%
UNRESTRICTED	(2,935,651)	1,946,652	4,790,123	(115,212)	3,685,912	1,157,879	2,528,033	218.33%
Total amount available for R&R Funds	(216,321)	3,549,942	7,579,164	(114,164)	10,798,621	6,819,630	3,978,991	58.35%
TOTAL USES OF FUNDS	\$ 18,673,166	\$ 19,730,789	\$ 26,635,796	\$ 698,754	\$ 65,738,505	\$ 61,555,256	\$ 4,183,249	6.80%

San Antonio Water System
CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS
 Twelve months ended December 2018

SOURCES OF FUNDS	Water Supply System	Water Delivery System	Wastewater System	Chilled Water System	Total System	Budget		
						Current Allotments	Favorable (Unfavorable)	Variance
OPERATING REVENUES								
Water Resources - Misc.	\$ 2,897,166	\$ -	\$ -	\$ -	\$ 2,897,166	\$ 2,313,317	\$ 583,849	25.24%
Water Supply Fee	152,001,046	-	-	-	152,001,046	160,233,656	(8,232,610)	-5.14%
EAA/TCEQ Pass Through Fees	22,573,512	1,682,787	464,758	-	24,721,057	25,979,801	(1,258,744)	-4.85%
Recycled water system	5,567,607	-	-	-	5,567,607	5,496,073	71,534	1.30%
Stormwater	5,221,318	-	-	-	5,221,318	5,203,996	17,322	0.33%
Metered Water - Conservation	11,634,300	-	-	-	11,634,300	11,167,752	466,548	4.18%
Metered Water - Water Delivery	-	224,904,362	-	-	224,904,362	226,611,215	(1,706,853)	-0.75%
Affordability Discount Program	(1,114,365)	(1,114,365)	(2,682,618)	-	(4,911,348)	(5,680,998)	769,650	13.55%
Wastewater System	-	-	256,760,502	-	256,760,502	251,764,342	4,996,160	1.98%
Wastewater Surcharge	-	-	6,244,724	-	6,244,724	6,114,162	130,562	2.14%
Chilled water	-	-	-	10,849,007	10,849,007	10,327,195	521,812	5.05%
Operating Transfer	5,630,000	(5,630,000)	-	-	-	-	-	0.00%
Less: Uncollectible Accounts	(1,736,560)	(1,443,500)	(1,663,900)	-	(4,843,960)	(4,312,839)	(531,121)	12.31%
Total operating revenues	202,674,024	218,399,284	259,123,466	10,849,007	691,045,781	695,217,672	(4,171,891)	-0.60%
NON-OPERATING REVENUES								
Interest earned and miscellaneous	6,746,180	5,597,949	6,647,459	154,327	19,145,915	10,224,348	8,921,567	87.26%
Interest earned on Project Fund	265,153	478,635	1,509,639	11,599	2,265,026	1,125,004	1,140,022	101.33%
Other financing sources (draw on equity)	1,400,000	-	-	-	1,400,000	1,400,000	-	0.00%
Total non-operating revenues	8,411,333	6,076,584	8,157,098	165,926	22,810,941	12,749,352	10,061,589	78.92%
CAPITAL CONTRIBUTIONS								
Capital Recovery and Service Extension Fees	32,162,757	20,824,048	26,807,180	-	79,793,985	72,877,505	6,916,480	9.49%
Contributions in aid of construction	510,356	4,721,293	1,203,170	-	6,434,819	-	6,434,819	0.00%
Total capital contributions	32,673,113	25,545,341	28,010,350	-	86,228,804	72,877,505	13,351,299	18.32%
TOTAL SOURCES OF FUNDS	\$ 243,758,470	\$ 250,021,209	\$ 295,290,914	\$ 11,014,933	\$ 800,085,526	\$ 780,844,529	\$ 19,240,997	2.46%
USES OF FUNDS								
OPERATION AND MAINTENANCE*								
Salaries and fringe benefits	\$ 33,835,731	\$ 57,913,560	\$ 64,045,399	\$ 1,579,655	\$ 157,374,345	\$ 158,729,119	\$ 1,354,774	0.85%
Contractual services	89,934,151	34,530,211	41,252,928	5,314,312	171,031,602	181,533,919	10,502,317	5.79%
Materials and supplies	2,608,853	8,302,147	12,143,745	429,925	23,484,670	23,537,683	53,013	0.23%
Other charges	2,278,902	3,263,732	4,173,980	239,211	9,955,825	10,048,324	92,499	0.92%
Capitalized cost	(4,454,713)	(13,636,060)	(13,428,375)	(92,475)	(31,611,623)	(33,997,220)	(2,385,597)	7.02%
Total operation and maintenance	124,202,924	90,373,590	108,187,677	7,470,628	330,234,819	339,851,825	9,617,006	2.83%
OPERATING RESERVE REQUIREMENT	1,144,272	777,890	629,821	(53,282)	2,498,701	1,277,020	(1,221,681)	-95.67%
DEBT REQUIREMENTS								
Revenue Bonds:								
Interest costs	22,304,740	38,575,304	46,221,264	892,215	107,993,523	128,151,258	20,157,735	15.73%
Retirement of bonds	24,363,816	28,619,817	32,272,012	1,067,233	86,322,878	95,418,333	9,095,455	9.53%
Subordinate lien debt:								
Interest cost	1,751,659	275,095	647,253	409,864	3,083,871	3,437,284	353,413	10.28%
Retirement of bonds	2,171,677	341,056	802,461	508,140	3,823,334	3,823,333	(1)	0.00%
Net variable interest - swap	30,309	15,919	11,206	7,089	64,523	-	(64,523)	100.00%
Commercial paper notes	397,838	1,166,201	383,421	14,926	1,962,386	3,041,604	1,079,218	35.48%
Other Debt Expense	669,996	771,630	435,764	79,803	1,957,193	2,363,189	405,996	17.18%
Total debt requirements	51,690,035	69,765,022	80,773,381	2,979,270	205,207,708	236,235,001	31,027,292	13.13%
TRANSFER TO THE CITY'S GENERAL FUND	4,811,844	6,027,275	7,151,022	297,104	18,287,245	18,075,610	(211,635)	-1.17%
AMOUNT AVAILABLE FOR R&R FUNDS:								
RESTRICTED	32,938,266	26,023,976	29,519,989	11,599	88,493,830	74,002,509	14,491,321	19.58%
UNRESTRICTED	28,971,129	57,053,456	69,029,024	309,614	155,363,223	111,402,564	43,960,659	39.46%
Total amount available for R&R Funds	61,909,395	83,077,432	98,549,013	321,213	243,857,053	185,405,073	58,451,980	31.53%
TOTAL USES OF FUNDS	\$ 243,758,470	\$ 250,021,209	\$ 295,290,914	\$ 11,014,933	\$ 800,085,526	\$ 780,844,529	\$ 19,240,997	2.46%

*Excludes non-cash portion of GASB 45 expense.

San Antonio Water System
CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY
 Month ended December 2018

SOURCES OF FUNDS	Recycle				Total System	Budget		
	Water Resources	Water System	Conservation	Stormwater System		Current Allotments	Favorable (Unfavorable)	Variance
OPERATING REVENUES								
Water Resources - Misc.	\$ 451,669	\$ -	\$ -	\$ -	\$ 451,669	\$ 192,776	\$ 258,893	134.30%
Water Supply Fee	11,257,746	-	-	-	11,257,746	11,997,874	(740,128)	-6.17%
EAA Fee	1,744,676	-	-	-	1,744,676	1,873,942	(129,266)	-6.90%
Recycled water system	-	287,707	-	-	287,707	438,479	(150,772)	-34.39%
Stormwater	-	-	-	435,112	435,112	433,666	1,446	0.33%
Metered Water - Conservation	-	-	793,905	-	793,905	829,540	(35,635)	-4.30%
Affordability Discount Program	(102,652)	-	-	-	(102,652)	(107,417)	4,765	4.44%
Operating Transfer	469,167	-	-	-	469,167	469,163	4	0.00%
Less: Uncollectible Accounts	-	-	-	-	-	(96,074)	96,074	-100.00%
Total operating revenues	13,820,606	287,707	793,905	435,112	15,337,330	16,031,949	(694,619)	-4.33%
NON-OPERATING REVENUES								
Interest earned and miscellaneous	605,367	10,029	752	358	616,506	167,500	449,006	268.06%
Interest earned on Project Fund & R&R Funds	23,027	-	-	-	23,027	28,125	(5,098)	-18.13%
Total non-operating revenues	628,394	10,029	752	358	639,533	195,625	443,908	226.92%
CAPITAL CONTRIBUTIONS								
Capital Recovery Fees	2,696,303	-	-	-	2,696,303	2,288,616	407,687	17.81%
Total capital contributions	2,696,303	-	-	-	2,696,303	2,288,616	407,687	17.81%
TOTAL SOURCES OF FUNDS	\$ 17,145,303	\$ 297,736	\$ 794,657	\$ 435,470	\$ 18,673,166	\$ 18,516,191	\$ 156,976	0.85%
USES OF FUNDS								
OPERATION AND MAINTENANCE*								
Salaries and fringe benefits	\$ 2,181,583	\$ 93,956	\$ 425,080	\$ 297,381	\$ 2,998,000	\$ 3,221,304	\$ 223,304	6.93%
Contractual services	9,400,652	80,314	1,397,932	153,527	11,032,425	11,294,824	262,399	2.32%
Materials and supplies	131,554	6,768	7,779	15,210	161,311	306,537	145,226	47.38%
Other charges	213,993	11,813	47,585	22,463	295,854	198,845	(97,009)	0.00%
Capitalized cost	(338,035)	(16,710)	(12,495)	(10,334)	(377,574)	(494,028)	(116,454)	23.57%
Total operation and maintenance	11,589,747	176,141	1,865,881	478,247	14,110,016	14,527,481	417,465	2.87%
OPERATING RESERVE REQUIREMENT	-	-	-	-	-	-	-	0.00%
DEBT REQUIREMENTS								
Revenue Bonds:								
Interest costs	1,638,301	229,649	-	-	1,867,950	2,049,723	181,773	8.87%
Retirement of bonds	1,279,935	761,465	-	-	2,041,400	2,116,984	75,584	3.57%
Subordinate lien debt:								
Interest costs	125,068	13,136	-	-	138,204	162,700	24,496	15.06%
Retirement of bonds	166,199	17,457	-	-	183,656	180,973	(2,683)	-1.48%
Net variable interest - swap	4,540	477	-	-	5,017	-	(5,017)	100.00%
Commercial Paper Notes	40,868	-	-	-	40,868	41,486	618	1.49%
Other Debt Expense	115,154	6,063	-	-	121,217	52,217	(69,000)	-132.14%
Total debt requirements	3,370,065	1,028,247	-	-	4,398,312	4,604,082	205,770	4.47%
TRANSFER TO THE CITY'S GENERAL FUND	359,412	291	21,456	-	381,159	367,096	(14,063)	-3.83%
AMOUNT AVAILABLE FOR R&R FUNDS:								
RESTRICTED	2,719,330	-	-	-	2,719,330	2,316,741	402,589	17.38%
UNRESTRICTED	(893,251)	(906,943)	(1,092,680)	(42,777)	(2,935,651)	(3,299,209)	363,558	-11.02%
Total amount available for R&R Funds	1,826,079	(906,943)	(1,092,680)	(42,777)	(216,321)	(982,468)	766,147	-77.98%
TOTAL USES OF FUNDS	\$ 17,145,303	\$ 297,736	\$ 794,657	\$ 435,470	\$ 18,673,166	\$ 18,516,191	\$ 156,975	0.85%

San Antonio Water System
CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY
 Twelve months ended December 2018

SOURCES OF FUNDS	Water Resources	Recycle Water		Stormwater System	Total System	Budget		
		System	Conservation			Current Allotments	Favorable (Unfavorable)	Variance
OPERATING REVENUES								
Water Resources - Misc.	\$ 2,897,166	\$ -	\$ -	\$ -	\$ 2,897,166	\$ 2,313,317	\$ 583,849	25.24%
Water Supply Fee	152,001,046	-	-	-	152,001,046	160,233,656	(8,232,610)	-5.14%
EAA Fee	22,573,512	-	-	-	22,573,512	24,023,496	(1,449,984)	-6.04%
Recycled water system	-	5,567,607	-	-	5,567,607	5,496,073	71,534	1.30%
Stormwater	-	-	-	5,221,318	5,221,318	5,203,996	17,322	0.33%
Metered Water - Conservation	-	-	11,634,300	-	11,634,300	11,167,752	466,548	4.18%
Metered Discount Program	(1,114,365)	-	-	-	(1,114,365)	(1,289,000)	174,635	13.55%
Operating Transfer	5,630,000	-	-	-	5,630,000	5,630,000	-	0.00%
Less: Uncollectible Accounts	(1,295,275)	(37,783)	(73,628)	(329,874)	(1,736,560)	(1,153,091)	(583,469)	-50.60%
Total operating revenues	180,692,084	5,529,824	11,560,672	4,891,444	202,674,024	211,626,199	(8,952,175)	-4.23%
NON-OPERATING REVENUES								
Interest earned and miscellaneous	6,634,680	101,680	6,654	3,166	6,746,180	2,934,336	3,811,844	129.90%
Interest earned on Project Fund & R&R Funds	265,153	-	-	-	265,153	337,500	(72,347)	100.00%
Other financing sources (draw on equity)	1,400,000	-	-	-	1,400,000	1,400,000	-	0.00%
Total non-operating revenues	8,299,833	101,680	6,654	3,166	8,411,333	4,671,836	3,739,497	80.04%
CAPITAL CONTRIBUTIONS								
Capital Recovery Fees	32,162,757	-	-	-	32,162,757	27,463,394	4,699,363	17.11%
Contributions in aid of construction	510,356	-	-	-	510,356	-	510,356	0.00%
Total capital contributions	32,673,113	-	-	-	32,673,113	27,463,394	5,209,719	18.97%
TOTAL SOURCES OF FUNDS	\$ 221,665,030	\$ 5,631,504	\$ 11,567,326	\$ 4,894,610	\$ 243,758,470	\$ 243,761,429	\$ (2,959)	0.00%
USES OF FUNDS								
OPERATION AND MAINTENANCE*								
Salaries and fringe benefits	\$ 24,776,850	\$ 1,027,474	\$ 4,766,429	\$ 3,264,978	\$ 33,835,731	\$ 34,780,142	\$ 944,411	2.72%
Contractual services	82,583,725	1,015,044	4,985,035	1,350,347	89,934,151	99,140,350	9,206,199	9.29%
Materials and supplies	2,298,632	101,677	84,526	124,018	2,608,853	3,736,207	1,127,354	30.17%
Other charges	1,643,368	99,744	355,046	180,744	2,278,902	2,292,671	13,769	100.00%
Capitalized cost	(3,981,077)	(231,267)	(126,516)	(115,853)	(4,454,713)	(5,308,663)	(853,950)	16.09%
Total operation and maintenance	107,321,498	2,012,672	10,064,520	4,804,234	124,202,924	134,640,707	10,437,783	7.75%
OPERATING RESERVE REQUIREMENT	977,957	(432)	102,304	64,443	1,144,272	92,119	(1,052,153)	-1142.17%
DEBT REQUIREMENTS								
Revenue Bonds:								
Interest costs	19,406,438	2,898,302	-	-	22,304,740	24,596,675	2,291,935	9.32%
Retirement of bonds	15,464,190	8,899,626	-	-	24,363,816	25,403,816	1,040,000	4.09%
Subordinate lien debt:								
Interest costs	1,585,168	166,491	-	-	1,751,659	1,952,398	200,739	10.28%
Retirement of bonds	1,965,258	206,419	-	-	2,171,677	2,171,676	(1)	0.00%
Net variable interest - swap	27,428	2,881	-	-	30,309	-	(30,309)	100.00%
Commercial paper notes	397,838	-	-	-	397,838	497,829	99,991	20.09%
Other Debt Expense	641,804	28,192	-	-	669,996	626,603	(43,393)	-6.93%
Total debt requirements	39,488,124	12,201,911	-	-	51,690,035	55,248,997	3,558,962	6.44%
TRANSFER TO THE CITY'S GENERAL FUND	4,440,450	59,076	312,318	-	4,811,844	4,879,460	67,616	1.39%
AMOUNT AVAILABLE FOR R&R FUNDS:								
RESTRICTED	32,938,266	-	-	-	32,938,266	27,800,894	5,137,372	100.00%
UNRESTRICTED	36,498,735	(8,641,723)	1,088,184	25,933	28,971,129	21,099,252	7,871,877	37.31%
Total amount available for R&R Funds	69,437,001	(8,641,723)	1,088,184	25,933	61,909,395	48,900,146	13,009,249	26.60%
TOTAL USES OF FUNDS	\$ 221,665,030	\$ 5,631,504	\$ 11,567,326	\$ 4,894,610	\$ 243,758,470	\$ 243,761,429	\$ (2,959)	0.00%

*Excludes non-cash portion of GASB 45 expense.

San Antonio Water System
OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT
For the Twelve Months Ended December 31, 2018

Classification	Annual Budget	Current Month		Year to Date		Variance (Over)/Under	%
		Actual	Budget	Actual	Budget		
SALARIES AND FRINGE BENEFITS							
511100 Salaries	\$104,117,463	\$ 8,741,604	\$ 8,894,230	\$ 99,818,235	\$104,117,463	4,299,228	4.1%
511140 Overtime Pay	5,532,795	677,424	438,422	7,796,638	5,532,795	(2,263,843)	-40.9%
511150 On-Call Pay	544,175	69,967	44,656	685,926	544,175	(141,751)	-26.1%
511160 Employee Insurance	16,365,506	2,554,882	1,383,936	18,751,140	16,365,506	(2,385,635)	-14.6%
511162 Retirement	22,374,941	1,795,517	3,079,057	20,762,546	22,374,941	1,612,396	7.2%
511164 Unused Sick Leave Buyback	70,000	18,318	70,000	18,318	70,000	51,682	73.8%
511166 Personal Leave Buyback	950,000	-	-	966,163	950,000	(16,163)	-1.7%
511168 Accrued Vacation leave	1,200,000	(476,522)	100,000	1,075,240	1,200,000	124,760	10.4%
511170 Incentive Pay	74,240	-	1,120	140	74,240	74,100	99.8%
511175 Other Post Employment Benefi	7,500,001	625,000	625,000	7,500,000	7,500,001	0	0.0%
Salaries and Fringe Benefits Total	158,729,119	14,006,189	14,636,423	157,374,346	158,729,119	1,354,774	0.9%
CONTRACTUAL SERVICES							
511210 Operating Expense	1,811,806	183,887	129,411	1,901,675	1,811,806	(89,869)	-5.0%
511211 Rental of Facilities	364,146	19,355	30,349	278,620	364,146	85,525	23.5%
511212 Alarm and Security	1,938,649	165,342	161,552	1,786,012	1,938,649	152,636	7.9%
511214 Uniforms and Shoe Allowance	421,270	50,668	31,201	415,618	421,270	5,652	1.3%
511216 Catering Svcs & Luncheons	108,064	12,246	8,023	130,182	108,064	(22,117)	-20.5%
511218 Project Agua Assistance	200,000	6,015	16,630	400,106	200,000	(200,106)	-100.1%
511219 Conservation Programs	3,681,572	1,033,613	1,037,453	3,327,246	3,681,572	354,326	9.6%
511220 Maintenance Expense	19,484,040	4,314,222	3,385,028	19,565,856	19,484,040	(81,816)	-0.4%
511221 Street Cut Permit Admin Fee	850,629	135,610	70,885	873,142	850,629	(22,513)	-2.7%
511222 St Pave/Repair Fee	1,800,545	245,775	150,045	1,223,363	1,800,545	577,182	32.1%
511224 Auto & Equipment Maintenance	1,490,000	301,898	124,167	1,875,954	1,490,000	(385,954)	-25.9%
511225 Damage Repair	178,740	10,863	14,895	141,662	178,740	37,078	20.7%
511230 Equipment Rental Charges	290,621	87,027	22,668	477,441	290,621	(186,820)	-64.3%
511240 Travel	192,844	2,822	23,493	131,651	192,844	61,193	31.7%
511245 Training	800,354	143,773	249,449	595,727	800,354	204,627	25.6%
511247 Conferences	102,974	9,105	3,479	56,080	102,974	46,894	45.5%
511250 Memberships and Subscription	435,294	101,360	39,021	577,456	435,294	(142,163)	-32.7%
511260 Utilities	31,611,733	992,076	2,818,948	30,113,112	31,611,733	1,498,621	4.7%
511261 Water Options	42,890,827	3,940,521	3,472,377	37,936,886	42,890,827	4,953,941	11.6%
511265 Ground Water District Pay	24,668,791	2,006,502	2,115,918	23,658,602	24,668,791	1,010,190	4.1%
511270 Mail and Parcel Post	2,289,785	156,902	190,599	2,007,875	2,289,785	281,910	12.3%
511310 Educational Assistance	66,553	17,477	12,776	81,058	66,553	(14,505)	-21.8%
511312 Contractual Prof Svcs	33,336,847	5,107,083	3,859,307	30,019,199	33,336,847	3,317,647	10.0%
511313 Inspect & Assessment Fees	2,247,177	174,867	188,654	2,117,421	2,247,177	129,756	5.8%
511315 Temporary Employees	553,192	406,410	58,883	1,599,392	553,192	(1,046,200)	-189.1%
511320 Legal Services	2,170,000	412,906	428,337	2,092,624	2,170,000	77,376	3.6%
511370 Communications	1,668,165	277,807	138,686	1,811,398	1,668,165	(143,233)	-8.6%
511381 Software and Hardware Mainte	5,879,301	735,460	494,723	5,836,243	5,879,301	43,058	0.7%
Contractual Services Total	181,533,918	21,051,593	19,276,956	171,031,602	181,533,918	10,502,316	5.8%

Excludes the non-cash portion of benefit expense.

San Antonio Water System
OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT
For the Twelve Months Ended December 31, 2018

Classification	Annual Budget	Current Month		Year to Date			%
		Actual	Budget	Actual	Budget	Variance (Over)/Under	
MATERIALS AND SUPPLIES							
511410 Small Tools	714,802	76,800	58,052	739,808	714,802	(25,006)	-3.5%
511417 Copy and Printing Expense	24,531	3,447	2,831	24,185	24,531	346	1.4%
511420 Operating Materials	2,366,296	274,886	201,258	2,287,890	2,366,296	78,406	3.3%
511421 Heating Fuel	15,500	-	1,250	13,668	15,500	1,832	11.8%
511422 Chemicals	7,763,100	882,291	653,902	6,967,631	7,763,100	795,469	10.3%
511425 Education of School Children	30,000	3,559	300	29,891	30,000	109	0.4%
511426 Public Awareness-WQEE	1,000	-	85	-	1,000	1,000	100.0%
511427 Enforcement	5,000	-	1,154	-	5,000	5,000	100.0%
511430 Maintenance Materials	8,565,553	967,293	674,014	9,271,727	8,565,553	(706,174)	-8.2%
511440 Safety Materials & Supplies	874,294	65,638	74,588	922,636	874,294	(48,342)	-5.5%
511441 Inventory Variances	15,000	(39,038)	-	(58,589)	15,000	73,589	490.6%
511450 Tires and Tubes	702,507	47,678	58,542	563,442	702,507	139,065	19.8%
511451 Motor Fuel & Lubricants	2,460,101	279,451	205,008	2,722,381	2,460,101	(262,280)	-10.7%
Materials and Supplies Total	23,537,683	2,562,006	1,930,983	23,484,670	23,537,683	53,012	0.2%
Other Charges							
511510 Judgements and Claims	725,000	102,841	60,420	(459,142)	725,000	1,184,142	163.3%
511511 AL & GL Claims - Cont. Liab.	330,000	-	27,500	292,392	330,000	37,608	11.4%
511520 Bank Charges	-	-	-	6,840	-	(6,840)	0.0%
511525 Cash Short/(Over)	-	(6,805)	-	(3,391)	-	3,391	0.0%
511530 Employee Relations	203,540	31,605	56,023	150,930	203,540	52,611	25.9%
511540 Retiree Insurance	6,440,271	994,668	538,240	7,807,707	6,440,271	(1,367,436)	-21.2%
511570 Casualty Insurance	1,139,513	70,838	94,953	855,501	1,139,513	284,012	24.9%
511580 Unemployment Compensation	80,000	7,139	-	78,026	80,000	1,974	2.5%
511590 Workers Comp Medical	1,130,000	100,235	94,170	1,226,963	1,130,000	(96,963)	-8.6%
Other Charges Total	10,048,324	1,300,520	871,306	9,955,826	10,048,324	92,499	0.9%
Total O&M before Capitalized Costs	373,849,045	38,920,309	36,715,668	361,846,444	373,849,045	12,002,601	3.2%
Capitalized Costs	(33,997,220)	(2,577,029)	(3,105,858)	(31,611,623)	(33,997,220)	(2,385,597)	7.0%
Intercenter Transfers	-	(1,167)	-	-	-	-	0.0%
Total O&M Expense	\$ 339,851,825	\$ 36,342,113	\$ 33,609,809	\$ 330,234,821	\$ 339,851,825	\$ 9,617,003	2.8%

Excludes the non-cash portion of benefit expense.

SAWS INVESTMENT PORTFOLIO

December 31, 2018

Investment Type	Market Value	Amortized Value	Average Yield	Average Days to Maturity
Money Market Funds	38,649,052	38,649,052	1.975	1
External Investment Pools:				
Texpool Prime Local Gov't Pool	82,228,918	82,228,918	2.580	1
Municipal Bonds				
Albert Lea ISD, MN	689,617	686,363	2.902	462
City & County of Honolulu, HI	2,418,064	2,407,233	2.970	670
New York State Dorm Auth, NY	2,958,590	2,946,636	3.735	804
	<u>6,066,271</u>	<u>6,040,232</u>	<u>3.335</u>	<u>712</u>
Government Agency Securities:				
Federal Agricultural Mtg Corp	10,042,400	10,000,000	2.750	597
Federal Farm Credit Bank	166,403,671	166,638,792	2.247	455
Federal Home Loan Bank	259,307,550	259,388,839	2.263	414
Federal Home Loan Mtg. Corp.	88,375,897	88,521,317	2.280	357
Federal National Mtg. Assn.	102,665,661	102,871,767	2.060	275
Total Government Agencies	<u>626,795,179</u>	<u>627,420,715</u>	<u>2.236</u>	<u>397</u>
U. S. Treasury Securities	<u>262,910,122</u>	<u>263,221,408</u>	<u>2.389</u>	<u>352</u>
Total Investments	<u>\$ 1,016,649,543</u>	<u>\$ 1,017,560,325</u>	<u>2.300</u>	<u>341</u>

San Antonio Water System
KEY FINANCIAL RATIOS
For the Period Ended December 31, 2018

	Dec-18	Dec-17
Total Long-term Debt (a)	\$ 2,963,205,822	\$ 2,928,924,803
Total Water & Sewer Customer Connections (b)	958,693	941,566
Long-term Debt Per Connection (a)/(b)	\$3,091	\$3,111
Total Net Position	\$ 3,106,822,096	\$ 2,854,278,664
Total Liabilities & Net Position	\$ 6,460,198,882	\$ 6,157,370,282
Net Position Ratio	48.1%	46.4%
YTD Operating Revenues (c)	\$ 691,045,780	\$ 666,751,903
YTD Operating Expenses before Depreciation (d)	\$ 324,593,415	\$ 318,440,722
Cash Operating Margin ((c)-(d))/(c)	53.0%	52.2%
Rolling 12 Months		
Operating Revenues	691,045,781	\$ 666,751,905
Non-operating Revenues	22,487,792	\$ 10,406,930
Less: Revenues from CPS contract	(3,443,499)	\$ (3,443,500)
Interest earned on Project Fund Investments	(2,265,026)	\$ (1,319,771)
Build America Bond Subsidy	(3,547,137)	\$ (3,596,094)
Gross Revenues	\$ 704,277,911	\$ 668,799,470
O&M Expense before Depreciation	\$ 324,593,415	\$ 318,440,722
Pledged Revenue	\$ 379,684,496	\$ 350,358,748
Debt Service - net of Build America Bond Subsidy:		
Current Year Senior Lien	\$ 56,742,663	\$ 57,846,535
Current Year Total Bonded Debt	\$ 188,796,767	\$ 185,075,743
Senior Lien Debt Coverage Ratio	6.69 x	6.06 x
Total Bonded Debt Coverage Ratio	2.01 x	1.89 x
Unrestricted Cash & Investments	\$ 494,886,196	\$ 385,754,654
Days Cash on Hand - Rolling 12 Months of O&M	556	442
Unrestricted Working Capital	\$ 501,519,114	\$ 405,174,063
Days Working Capital on Hand - Rolling 12 Months of O&M	564	464

San Antonio Water System

CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

December 31, 2018

	<i>CIP</i>	<i>Revised CIP</i>	<i>Commit/Plan</i>	<i>Open Job</i>	<i>Closed Job</i>	<i>Commit/Charges</i>
	<i>Plan</i>	<i>Plan</i>	<i>Commitments</i>	<i>Variance</i>	<i>Charges</i>	<i>Charges</i>
						<i>Variance</i>
CIP Year: 2018						
Corporate	11,406,785	2,388,008	289,719	2,098,289	288,734	985
Governmental	46,218,880	50,299,997	44,040,146	6,259,852	25,519,135	422,965
Heating and Cooling	-	6,848	36,459	(29,611)	3,884	25,727
Main Replacements	194,070,308	198,421,091	184,070,464	14,350,627	28,114,944	18,703,001
Production	84,092,785	81,686,856	74,761,373	6,925,483	7,524,365	27,712
Recycle	514,000	514,000	70,528	443,472	70,528	-
Treatment	11,016,048	18,884,126	18,478,532	405,593	1,564,320	20,383
Water Resources	44,076,528	77,366,407	73,076,039	4,290,368	1,745,892	20,208
Plant Contributions	-	952,536	952,536	-	305,945	61,379,992
Less Contributions - Plant	-	-	-	-	(305,945)	(61,379,992)
Subtotal	391,395,334	430,519,868	395,775,795	34,744,073	64,831,802	19,220,981
CIP Year: 2017						
Collection	6,093,984	4,696,475	4,198,336	498,139	1,740,223	9,489
Corporate	15,652,685	2,696,983	2,332,062	364,921	2,323,644	-
Governmental	46,233,272	33,600,836	33,598,209	2,627	19,665,353	825,241
Heating and Cooling	-	13,688	-	13,688	-	-
Main Replacements	157,537,753	155,735,111	149,319,729	6,415,382	75,265,920	30,792,776
Production	21,971,393	23,922,405	23,187,122	735,283	12,286,843	1,034,603
Recycle	257,000	268,871	168,993	99,878	32,405	106,521
Treatment	6,445,560	10,224,766	10,064,482	160,285	7,133,058	45,694
Water Resources	113,274,800	115,536,119	114,162,574	1,373,545	11,689,343	200,320
Plant Contributions	-	-	-	-	-	61,849,071
Less Contributions - Plant	-	-	-	-	-	(61,849,071)
Subtotal	367,466,446	346,695,254	337,031,506	9,663,748	130,136,788	33,014,643
CIP Year: 2016						
Collection	4,432,201	2,759,929	2,643,348	116,581	537,877	1,930,792
Corporate	23,223,816	24,037,782	22,795,695	1,242,088	3,828,150	-
Governmental	52,117,030	49,830,562	49,830,562	-	27,545,189	14,159,660
Heating and Cooling	4,903,375	5,017,399	4,993,860	23,539	1,082,882	3,778,249
Main Replacements	103,468,163	132,298,193	126,160,796	6,137,397	75,863,510	38,286,502
Production	25,215,160	29,145,052	28,968,399	176,653	23,662,375	4,983,546
Treatment	4,101,720	5,399,659	5,399,659	-	3,566,344	435,356
Water Resources	29,140,512	29,538,472	29,430,905	107,567	24,352,890	244,734
Plant Contributions	-	-	-	-	15,675	75,735,976
Less Contributions - Plant	-	-	-	-	-	(75,735,976)
Subtotal	246,601,979	278,027,049	270,223,226	7,803,824	160,454,891	63,818,839
CIP Year: 2015						
Collection	1,424,640	2,336,317	2,336,317	-	777,980	1,423,223
Corporate	2,932,604	4,001,389	3,613,683	387,706	2,410,940	353,549
Governmental	54,942,932	53,129,184	53,129,184	-	9,772,056	38,827,542
Heating and Cooling	2,585,000	2,071,590	2,071,590	-	64,466	2,007,124
Main Replacements	106,176,875	88,966,510	88,878,025	88,485	27,573,811	55,090,001
Production	24,007,372	21,449,896	21,441,262	8,634	15,624,645	2,712,462
Recycle	1,500,000	171,229	171,229	-	28,658	-
Treatment	26,740,000	26,204,479	26,183,375	21,104	15,756,527	8,769,161
Water Resources	15,919,200	14,222,579	11,250,388	2,972,191	7,214,695	1,463,925
Plant Contributions	-	-	-	-	-	78,942,508
Less Contributions - Plant	-	-	-	-	-	(78,942,508)
Subtotal	236,228,623	212,553,172	209,075,053	3,478,119	79,223,779	110,646,987

Tuesday, January 15, 2019

Page 1 of 2

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All 2012 to current year construction in progress budgets, commitments and charges for the former SAWS - DSP are now combined with SAWS Water Delivery and Summary reports.

San Antonio Water System

CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

December 31, 2018

	<i>CIP</i> <i>Plan</i>	<i>Revised CIP</i> <i>Plan</i>	<i>Commitments</i>	<i>Commit/Plan</i> <i>Variance</i>	<i>Open Job</i> <i>Charges</i>	<i>Closed Job</i> <i>Charges</i>	<i>Commit/Charges</i> <i>Variance</i>
CIP Year: 2014							
Collection	2,291,286	2,174,852	2,174,852	-	395,061	1,446,778	333,014
Corporate	14,932,117	14,206,324	14,206,324	-	-	14,206,317	7
Distribution	11,577,886	6,274,745	6,274,745	-	-	6,274,745	-
Governmental	49,111,947	31,229,437	31,229,437	-	2,970,451	24,103,542	4,155,445
Heating and Cooling	2,837,500	2,891,429	2,891,429	-	18,454	2,862,646	10,329
Main Replacements	116,336,055	84,609,794	84,609,794	-	2,153,581	76,518,375	5,937,838
Production	40,397,274	48,347,819	48,347,819	-	13,503,472	34,562,941	281,405
Recycle	3,661,505	25,813	25,813	-	17,203	1,384	7,225
Treatment	14,826,674	17,834,352	17,834,352	-	1,567,916	16,174,399	92,036
Water Resources	157,029,479	111,640,247	111,640,247	-	777,129	109,640,882	1,222,236
Plant Contributions	-	-	-	-	-	49,755,661	(49,755,661)
Less Contributions - Plant	-	-	-	-	-	(49,755,661)	49,755,661
Subtotal	413,001,723	319,234,812	319,234,812	-	21,403,268	285,792,009	12,039,535
Carryover Program							
South Bexar County	1,680,096	-	-	-	-	-	-
Building	7,795,937	55,490,425	55,490,425	-	-	55,490,427	(1)
Collection	371,701,663	290,072,887	290,072,887	-	5,720,701	281,689,137	2,663,049
Corporate	115,647,785	74,343,833	74,343,833	-	-	72,665,660	1,678,173
Distribution	156,883,967	157,054,745	157,054,745	-	-	157,053,141	1,604
Governmental	542,699,166	445,997,466	445,997,467	-	1,346,306	440,459,358	4,191,803
Heating and Cooling	28,697,801	23,866,007	23,866,007	-	65,627	23,741,239	59,142
Land	2,200,000	-	-	-	-	-	-
Main Replacements	523,811,388	493,204,947	493,204,947	-	10,091,911	479,757,838	3,355,197
Miscellaneous	5,743,107	2,317,152	2,317,152	-	-	2,317,153	-
Production	189,795,992	237,548,029	237,548,029	-	3,385,750	233,886,403	275,876
Recycle	140,966,534	152,907,903	152,907,903	-	(93,604)	152,720,004	281,502
Treatment	296,037,411	275,208,015	275,208,015	-	643,476	274,531,481	33,058
Water Resources	1,127,068,449	895,544,397	895,544,397	-	8,679,857	885,075,390	1,789,151
Plant Contributions	-	-	-	-	1,368	697,893,282	(697,894,650)
Less Contributions - Plant	-	-	-	-	-	(697,893,282)	697,893,282
Subtotal	3,510,729,296	3,103,555,807	3,103,555,807	-	29,841,392	3,059,387,231	14,327,184
Total	5,165,423,401	4,690,585,962	4,634,896,199	55,689,763	485,891,920	3,571,880,689	577,123,590

**SAN ANTONIO WATER SYSTEM
STATISTICAL DATA**

Rainfall-Inches	December		(Below)
	2018	2017	Above
			Prior Year
Current Month			
Actual	2.4	4.0	(42) %
Normal	1.9	1.9	0 %
Percent Above(Below) Normal	23 %	Over 100 %	
Year to Date			
Actual	41.2	27.3	51 %
Normal	32.3	32.3	0 %
Percent Above(Below) Normal	28 %	(15) %	
Number of days with rain	8	6	
SAWS Pumping Data (Million Gallons)			
SAWS Total Water Pumpage - Month	6,315	7,147	(12) %
Water Pumpage for injection to Twin Oaks ASR	654	1,246	(48) %
Water Pumpage for Consumption (includes water produced from ASR)	5,661	5,901	(4) %
SAWS Billed Water Usage (Domestic and Irrigation)*	4,632	5,222	(11) %
SAWS Wastewater Data (Million Gallons)			
SAWS Total Wastewater - Month	4,206	4,226	(0) %
Customers			
SAWS			
Number of connections (billed accounts) - WATER	505,627	496,543	2 %
Number of connections (billed accounts) - WASTEWATER	453,066	445,023	2 %
Infrastructure In Service, Cumulative			
Water - Miles of Main	7,144	7,060	1 %
Wastewater - Miles of Main	5,535	5,482	1 %
Manholes	108,580	107,247	1 %
Fire Hydrants	41,553	40,872	2 %
Edwards Reservoir Level			
High	686.4	666.9	19.5 Feet
Low	683.9	661.1	22.8 Feet
End of Month	686.4	666.1	20.3 Feet

* Represents customers' metered usage. Billed water usage lags water pumped each month by an average of 2 -3 weeks.