

# San Antonio Water System

## *CONDENSED MONTHLY FINANCIAL REPORT November 2018*



San Antonio, Texas

## CONDENSED MONTHLY FINANCIAL REPORT SAN ANTONIO WATER SYSTEM NOVEMBER 30, 2018

Attached is the monthly financial report of the San Antonio Water System (SAWS) for the month ended November 30, 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 \$16.2 million during the month.
- Operating revenues for the month of \$50.8 million were \$6.7 million unfavorable to budget and \$2.8 million less than a year ago.
- Operating expenses before depreciation for the month of \$27.7 million were \$0.1 million favorable to budget but \$1.5 million more than the prior year.
- Net interest expense was \$4 million favorable to budget for the month and \$1.7 million less than the prior year.
- SAWS' net income before capital contributions for the month of \$6.2 million was \$1.2 million unfavorable to budget and \$2.0 million less than November 2017.
- Capital contributions for the month were \$10.1 million compared to the budget of \$10.8 million and \$10.6 million in November 2017.

### OVERALL FINANCIAL CONDITION

		November 30, 2018
<i>(\$ in thousands)</i>		
Assets	\$	6,312,379
Deferred Outflows of Resources		90,223
Liabilities		(3,291,096)
Deferred Inflows of Resources		(18,821)
Total Net Position	\$	<u>3,092,685</u>
Net Investment in Capital Assets	\$	2,336,567
Restricted Net Position		374,987
Unrestricted Net Position		381,131
Total Net Position	\$	<u>3,092,685</u>

During the month, SAWS' total assets and deferred outflows of resources decreased \$35.7 million due to decreases in accounts receivable and cash and investments more than offsetting an increase in capital assets. The decrease in cash and investments was primarily related to the semi-annual debt service payment. Total liabilities and deferred inflows of resources decreased \$51.9 million reflecting the reduction in accrued interest payable as well as decreases in accounts payable.

Working capital totaled \$541.0 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 48.3% at November 30, 2018, 47.8% at October 31, 2018 and 46.9% at November 30, 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 November 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			
	11/30/2018	10/31/2018	11/30/2017
Current Year Debt Service - Senior Lien Debt	6.62	6.67	5.99
Current Year Debt Service - Total Debt	1.99	2.00	1.87

As of November 30, 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

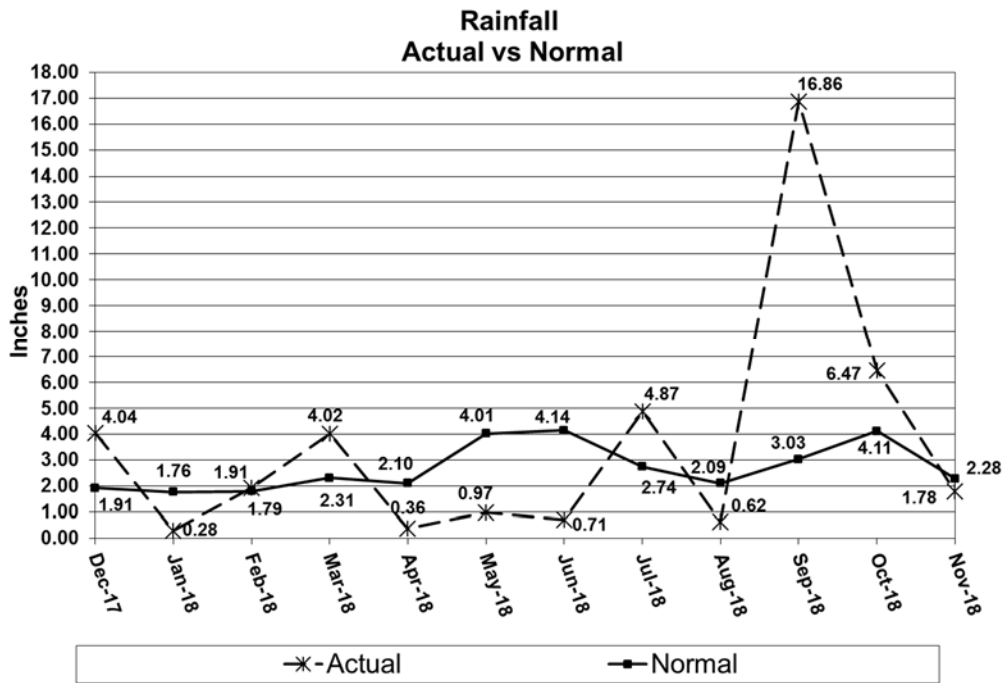
The following table shows a consolidated summary of SAWS' Statement of Revenues, Expenses and Changes in Net Position for the month of November 2018 with comparisons to both the budget and the prior year.

(\$ in thousands)	November-18		Fav (Unfav) Variance	November-17	
	Actual	Budget*	To Budget	Actual	Fav (Unfav) Variance To Prior Year
Operating Revenues					
Water Supply System	\$ 13,146	\$ 17,398	\$ (4,252)	\$ 15,818	\$ (2,672)
Water Delivery System	15,626	18,198	(2,572)	16,276	(650)
Wastewater System	21,114	21,004	110	20,635	479
Chilled Water System	865	861	4	846	19
Total operating revenues	50,751	57,461	(6,710)	53,575	(2,824)
Operating Expenses Before Depreciation	27,728	27,841	113	26,191	(1,537)
Depreciation Expense	12,358	13,341	983	12,762	404
Total operating expenses	40,086	41,182	1,096	38,953	(1,133)
Operating Income	10,665	16,279	(5,614)	14,622	(3,957)
Miscellaneous Revenues	1,795	1,774	21	1,818	(23)
Investment income	2,697	652	2,045	891	1,806
Interest Expense	7,459	9,416	1,957	7,378	(81)
Payments to the City of San Antonio	1,355	1,494	139	1,400	45
Other Non-operating Expense	177	404	227	361	184
Net Income (Loss) Before Capital Contributions	6,166	7,391	(1,225)	8,192	(2,026)
Capital Recovery Fees	6,022	5,568	454	5,333	689
Plant Contributions	4,028	5,250	(1,222)	5,255	(1,227)
Total Contributions	10,050	10,818	(768)	10,588	(538)
Change in Net Position	\$ 16,216	\$ 18,209	\$ (1,993)	\$ 18,780	\$ (2,564)

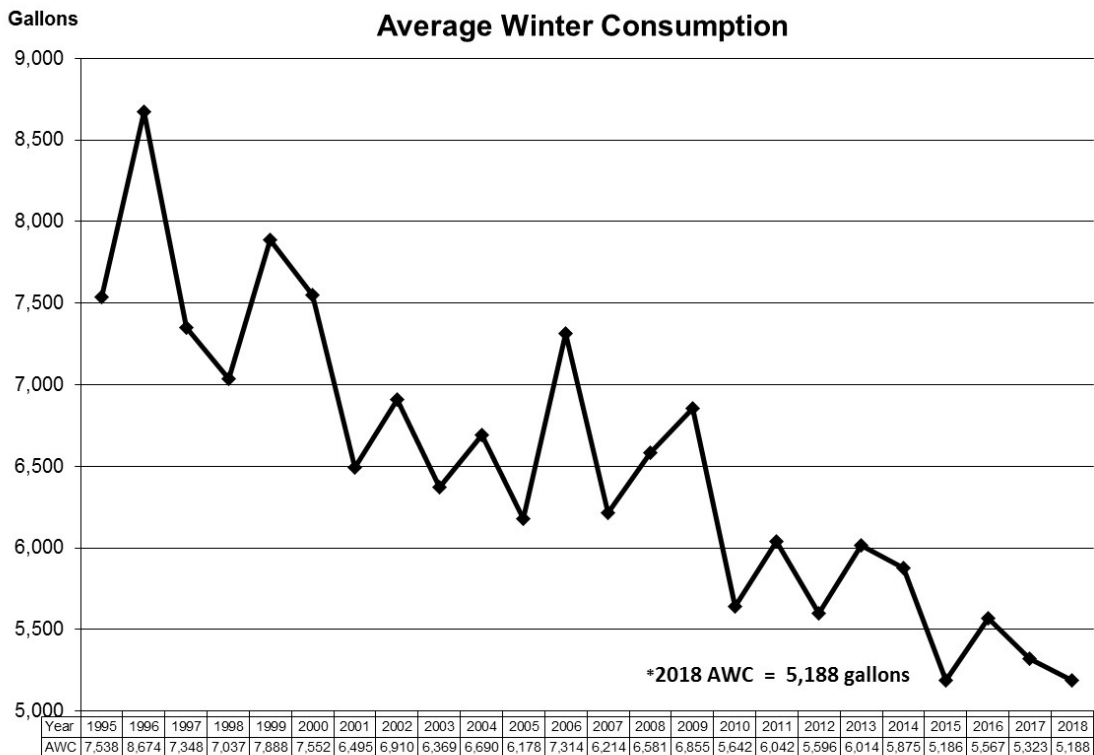
\*Budget includes adjustments to certain benefit related costs in order to comply with generally accepted accounting principles. The budget reflected on the Schedule of Sources and Uses reflects these costs on a cash basis, which is utilized for rate-making purposes.

Total operating revenues were \$6.7 million unfavorable to budget and \$2.8 million less than November 2017. Water delivery and supply revenues of \$28.8 million were \$6.8 million unfavorable to budget and \$3.3 million less than November 2017. Since the majority of billed usage in a given month reflects customers' actual usage in the previous month, above average rainfall for October resulted in November's billed usage being 17.7% less than budget. The average water rate adjustment of 7.6%

that went into effect on February 1, 2018 only partially mitigated a 14.6% decrease in usage from November 2017, which resulted in a decrease in revenue from the prior year.



Wastewater revenue for the month of \$21.1 million was \$0.1 million favorable to budget and \$0.5 million more than the prior year. An increase in revenues from general class customers contributed to the favorable variance to budget for the month. 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. 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 \$27.7 million were \$0.1 million favorable to budget for the month but \$1.5 million more than a year ago. The increase in expenses to last year is primarily due to increased spending on salaries and benefits, maintenance expense and contractual professional services.

Investment income for the month was \$2.0 million favorable to budget and \$1.8 million more than November 2017. The yield on SAWS investment portfolio was 2.22% for the month compared to the budgeted yield of 1.00% and 1.22% earned on the portfolio a year ago. A \$0.8 million mark to market adjustment recorded in November contributed to the favorability for the month and to last year.

Interest expense for the month was \$2.0 million favorable to budget but \$0.1 million more than November 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 slight increase from the prior year is due to the issuance of additional revenue bonds in April of this year.

In November 2018, capital contributions included \$6.0 million in impact fees and \$4.0 million in plant contributions from developers. 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 (December 2017 - November 2018) and 1.6% for the preceding 12 month period (December 2016 - November 2017).

## CASH FLOWS

Cash and cash equivalents decreased \$32.7 million during November 2018. Cash inflows during the month included \$23.1 million from operations, \$6.0 million in proceeds from developers and \$23.5 million from investment activities. Cash outflows for the month consisted primarily of \$28.5 million spent on the acquisition and construction of property, plant and equipment and \$55.0 million in interest payments.

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 \$128.0 million in additional capital contracts. Additionally, outstanding commitments on awarded contracts total \$528.6 million at November 30, 2018.

<i>(\$ in millions)</i>	<b>Original</b>	<b>Revised</b>		<b>Percent</b>
<b>Plan Year</b>	<b>Plan</b>	<b>Plan</b>	<b>Commitments</b>	<b>Committed</b>
CY2018	\$ 391.4	\$ 424.8	\$ 318.3	74.9%
CY2017	367.5	346.8	336.6	97.1%
CY2016	247.2	277.6	269.8	97.2%
	<u>\$ 1,006.1</u>	<u>\$ 1,049.2</u>	<u>\$ 924.7</u>	88.1%

## 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 \$17.3M 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 eleven months ended November 30, 2018 reflects the requirements of these new accounting rules for OPEB plans.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Douglas P. Evanson', with a stylized flourish extending to the right.

Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

**CONDENSED  
MONTHLY FINANCIAL REPORT  
SAN ANTONIO WATER SYSTEM  
November 30, 2018**

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**San Antonio Water System**  
**STATEMENT OF NET POSITION**  
**November 30, 2018**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

<b>CURRENT ASSETS</b>	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 62,610,622	\$ 59,371,330
Investments	442,036,726	334,822,253
Accrued interest receivable	3,780,580	2,242,406
Accounts receivable - net of allowance for uncollectable accounts of \$12,839,359 and \$8,223,898 respectively	59,004,479	66,342,305
Inventory - materials and supplies	5,848,335	5,485,277
Prepaid expenses	2,875,764	3,681,686
Total current unrestricted assets	<u>576,156,506</u>	<u>471,945,257</u>
 <b>RESTRICTED ASSETS</b>		
Debt Service Fund		
Cash and Cash Equivalents	2,377,381	334,690
Investments	60,948,585	62,609,829
Construction Funds		
Investments	16,058,624	19,191,537
Operating Reserve - System Fund	56,641,975	54,143,274
Total current restricted assets	<u>136,026,565</u>	<u>136,279,330</u>
Total current assets	<u>712,183,071</u>	<u>608,224,587</u>
 <b>NONCURRENT ASSETS</b>		
Restricted Noncurrent Assets		
Reserve fund:		
Cash and cash equivalents	1,588,427	546,409
Investments	84,812,785	88,698,202
Construction funds:		
Cash and cash equivalents	64,995,867	29,285,572
Investments	234,508,927	238,563,524
 <b>CAPITAL ASSETS</b>		
Utility plant in service	6,434,375,637	6,470,905,949
Less allowance for depreciation	2,070,177,920	2,116,989,847
	<u>4,364,197,717</u>	<u>4,353,916,102</u>
Land, water rights and other intangible assets	363,684,414	356,591,279
Construction in Progress	486,408,034	304,328,767
Total capital assets	<u>5,214,290,165</u>	<u>5,014,836,148</u>
<b>TOTAL ASSETS</b>	6,312,379,242	5,980,154,442
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on bond refunding	42,522,412	48,609,736
Deferred outflows - pension & OPEB plans	40,048,691	28,115,201
Derivative Instrument	7,652,081	11,925,838
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>90,223,184</u>	<u>88,650,775</u>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 6,402,602,426</u>	<u>\$ 6,068,805,217</u>



**San Antonio Water System**  
**STATEMENT OF NET POSITION - continued**  
**November 30, 2018**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<b>2018</b>	<b>2017</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 21,103,288	\$ 24,951,490
Customers' deposits	15,536,651	14,156,400
Third party billing collections payable	1,262,431	1,187,165
Accrued vacation pay	6,572,857	6,688,607
Accrued payroll and benefits	4,082,334	3,612,072
Accrued claims payable	4,940,344	4,537,973
Accrued stormwater services	3,832,448	3,723,638
Health Insurance Payable	1,973,635	1,695,558
Sundry payables and deferred income	1,620,515	2,959,268
Total current unrestricted liabilities	60,924,503	63,512,171
 <b>LIABILITIES PAYABLE FROM RESTRICTED FUNDS</b>		
Debt Service Fund		
Accrued interest payable	7,092,602	6,992,015
Construction funds:		
Contract retainage payable	14,105,960	17,048,498
Sundry payables	1,952,664	2,143,039
Revenue bonds payable within one year	87,060,001	84,875,000
Total current restricted liabilities	110,211,227	111,058,552
Total current liabilities	171,135,730	174,570,723
 <b>LONG-TERM LIABILITIES</b>		
Accrued vacation payable	4,122,231	3,402,086
Long-term unfunded post-retirement obligations	88,801,684	70,820,978
Net pension liability	50,945,463	66,906,342
Derivative Instrument	10,865,308	15,492,736
Commercial paper notes	215,695,000	238,060,000
Revenue bonds payable after one year	2,544,154,999	2,452,644,999
Unamortized premium	206,194,781	201,617,220
Less unamortized discount	(819,215)	(1,423,941)
Total long-term liabilities	3,119,960,251	3,047,520,420
Total Liabilities	3,291,095,981	3,222,091,143
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - pension & OPEB plans	18,821,645	2,793,408
<b>TOTAL DEFERRED INFLOWS</b>	18,821,645	2,793,408
<b>TOTAL LIABILITIES &amp; DEFERRED INFLOWS OF RESOURCES</b>	3,309,917,626	3,224,884,551
 <b>NET POSITION</b>		
Restricted:		
Net investment in capital assets	2,336,566,500	2,211,915,945
Restricted for construction	208,142,130	184,661,186
Restricted for debt service	56,233,361	55,952,501
Restricted for debt service reserve	53,969,776	56,903,925
Restricted for operating reserve	56,641,975	54,143,274
Total Restricted Net Position	2,711,553,742	2,563,576,831
Unrestricted Net Position	381,131,058	280,343,835
<b>TOTAL NET POSITION</b>	\$ 3,092,684,800	\$ 2,843,920,666

**San Antonio Water System**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Eleven months ended November 2018**

	2018 YTD Actual	2018 YTD Budget*	2017 YTD Actual	Variance	
				To Budget	To Prior Year
<b>Operating revenues:</b>					
Water Resources - Misc.	\$ 2,445,497	\$ 2,120,541	\$ 2,235,793	\$ 324,956	\$ 209,704
Water Supply Fee	144,892,420	152,215,036	143,434,294	(7,322,616)	1,458,126
EAA/TCEQ Fee	22,794,438	23,942,833	23,487,361	(1,148,395)	(692,923)
Recycle Water	5,279,900	5,057,593	5,197,832	222,307	82,068
Stormwater	4,786,206	4,770,330	4,791,154	15,876	(4,948)
Metered Water	200,646,804	202,350,800	187,077,781	(1,703,996)	13,569,023
Conservation Metered Water	10,840,395	10,338,212	10,260,318	502,183	580,077
Wastewater service charges	237,164,388	233,573,995	229,780,593	3,590,393	7,383,795
Chilled water	10,164,380	9,466,595	10,552,378	697,785	(387,998)
Less: Uncollectible accounts	(4,843,960)	(3,953,435)	(3,860,379)	(890,525)	(983,581)
<b>Total operating revenues</b>	<b>634,170,468</b>	<b>639,882,501</b>	<b>612,957,125</b>	<b>(5,712,033)</b>	<b>21,213,343</b>
<b>Operating expenses:</b>					
Salaries and fringe benefits	136,857,783	144,092,697	137,605,157	7,234,914	747,374
Contractual services	149,980,009	162,256,963	145,778,895	12,276,954	(4,201,114)
Materials & supplies	20,922,665	21,606,700	20,470,161	684,035	(452,504)
Other charges	7,632,730	9,177,018	8,448,212	1,544,288	815,482
Capitalized cost	(29,034,594)	(30,891,362)	(28,239,693)	(1,856,768)	794,901
Intercompany transfers	1,167	-	8,481	(1,167)	7,314
Total operating expenses before depreciation	286,359,760	306,242,016	284,071,213	19,882,256	(2,288,547)
Depreciation expense	140,619,444	144,036,802	139,284,463	3,417,358	(1,334,981)
<b>Total operating expenses</b>	<b>426,979,204</b>	<b>450,278,818</b>	<b>423,355,676</b>	<b>23,299,614</b>	<b>(3,623,528)</b>
<b>Operating income (loss)</b>	<b>207,191,264</b>	<b>189,603,682</b>	<b>189,601,449</b>	<b>17,587,582</b>	<b>17,589,815</b>
<b>Non-operating revenues:</b>					
Miscellaneous revenue	3,694,809	3,547,135	3,752,008	147,674	(57,199)
Interest earned	15,741,448	7,172,913	7,454,188	8,568,535	8,287,260
Gain/(Loss) on Investments - Mark to Market	(1,045,730)	-	22,592	(1,045,730)	(1,068,322)
<b>Total non-operating revenues</b>	<b>18,390,527</b>	<b>10,720,048</b>	<b>11,228,788</b>	<b>7,670,479</b>	<b>7,161,739</b>
<b>Non-operating expenses:</b>					
Debt issuance costs	1,720,948	2,166,257	1,400,313	445,309	(320,635)
Other financing charges	2,182,931	2,166,257	2,489,715	(16,674)	306,784
Interest expense:					
Revenue bonds and commercial paper	103,428,452	123,410,966	100,225,054	19,982,514	(3,203,398)
Capitalized interest	(5,418,939)	(4,216,667)	(3,143,261)	1,202,272	2,275,678
Amortized discount/premiums/Loss on refunding	(16,455,832)	(15,617,822)	(15,308,714)	838,010	1,147,118
Loss (gain) on sale of fixed assets	(772,537)	-	(960,975)	772,537	(188,438)
Transfers to GKDA	93,257	112,200	99,371	18,943	6,114
Transfers to City of San Antonio	16,720,103	16,636,043	15,918,297	(84,060)	(801,806)
<b>Total non-operating expenses</b>	<b>101,498,383</b>	<b>124,657,234</b>	<b>100,719,800</b>	<b>23,158,851</b>	<b>(778,583)</b>
Net income (loss) before capital contributions	124,083,408	75,666,496	100,110,437	48,416,912	23,972,971
<b>Capital contributions:</b>					
Contributions in aid of construction	5,231,649	-	6,147,008	5,231,649	(915,359)
Capital recovery fees	74,108,647	67,309,504	68,842,897	6,799,143	5,265,750
Plant contributions	52,316,235	57,750,000	55,471,647	(5,433,765)	(3,155,412)
<b>Total capital contributions</b>	<b>131,656,531</b>	<b>125,059,504</b>	<b>130,461,552</b>	<b>6,597,027</b>	<b>1,194,979</b>
<b>CHANGE IN NET POSITION</b>	<b>255,739,939</b>	<b>200,726,000</b>	<b>230,571,989</b>	<b>55,013,939</b>	<b>25,167,950</b>
NET POSITION, beginning balances <sup>1</sup>	2,836,944,861	2,854,278,664	2,613,348,677		
NET POSITION, ending balances	\$ 3,092,684,800	\$ 3,055,004,664	\$ 2,843,920,666		

<sup>1</sup>In 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  
Eleven months ended November 2018**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 646,812,474	\$ 610,191,206
Cash paid to vendors for operations	(184,383,979)	(181,748,358)
Cash paid to employees for services	(116,634,222)	(111,024,871)
Net cash provided by operating activities	<u>345,794,273</u>	<u>317,417,977</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Payments to the City of San Antonio	(11,272,009)	(11,102,739)
Payments to other entities	(101,707)	(106,618)
Net cash used for noncapital financing activities	<u>(11,373,716)</u>	<u>(11,209,357)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of capital assets	963,706	1,125,118
Proceeds from developers for plant construction	74,108,648	68,842,897
Proceeds from contributions in aid of construction	5,231,649	8,567,544
Payments for the acquisition and construction of plant and equipment	(274,605,171)	(237,798,571)
Proceeds from commercial paper	67,000,000	-
Payment for retirement of commercial paper	(129,365,000)	(3,550,000)
Proceeds from revenue bonds	248,469,559	202,606,819
Payment for retirement/refunding of revenue bonds	(125,630,000)	(283,335,000)
Payment of interest on commercial paper	(4,856,312)	(4,354,570)
Payment of interest on revenue bonds	(107,427,191)	(106,424,364)
Payment for bond related expenses	(1,720,948)	(1,400,313)
Payment for finance charges	(1,913,575)	(2,126,809)
Net cash used for capital and related financing activities	<u>(249,744,635)</u>	<u>(357,847,249)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(707,194,337)	(807,967,570)
Maturity of investments	606,398,768	781,819,368
Interest income and other	17,991,472	10,588,658
Net cash provided (used) by investing activities	<u>(82,804,097)</u>	<u>(15,559,544)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,871,825	(67,198,173)
<b>CASH AND CASH EQUIVALENTS, AT BEGINNING OF YEAR</b>	129,700,472	156,736,174
<b>CASH AND CASH EQUIVALENTS, AT END OF PERIOD</b>	<u>\$ 131,572,297</u>	<u>\$ 89,538,001</u>

**San Antonio Water System**  
**STATEMENT OF CASH FLOWS**  
**Eleven months ended November 2018**

	<b>2018</b>	<b>2017</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET ASSETS</b>		
Cash and Cash Equivalents		
Unrestricted		
System Fund	\$ 62,610,622	\$ 59,371,330
Restricted		
Debt Service Fund	2,377,381	334,690
Reserve Fund	1,588,427	546,409
Construction Fund	64,995,867	29,285,572
	\$ 131,572,297	\$ 89,538,001
 <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income	\$ 207,191,264	\$ 189,601,449
Adjustments to reconcile operating income to net cash provided by operating activities:		
Non-cash revenues from City of San Antonio	(5,439,644)	(4,808,312)
Provision for uncollectible accounts	4,843,960	3,860,379
Charge-off prior year construction expenditures to operating expense	1,169,630	-
Depreciation expense	140,619,444	139,284,463
Change in assets, deferred outflows, liabilities and deferred inflows:		
(Increase)/Decrease in accounts receivable	11,637,085	(780,669)
(Increase)/Decrease in inventory	(292,139)	(404,746)
(Increase)/Decrease in prepaid expenses	1,041,659	928,591
(Decrease)/Increase in accounts payable	(8,874,907)	(10,941,665)
(Decrease)/Increase in amount due for third party collections	74,064	86,402
(Decrease)/Increase in accrued vacation payable	1,150,871	1,237,748
(Decrease)/Increase in accrued payroll and benefits	(692,232)	(525,686)
(Decrease)/Increase in claims payables	257,283	-
(Decrease)/Increase in accrued stormwater services	94,917	279,567
(Decrease)/Increase in health claims payables	106,542	(402,141)
Decrease/(Increase) in deferred outflows - pension & OPEB plans	8,044,869	-
(Decrease)/Increase in deferred inflows - pension & OPEB plans	16,494,054	-
(Decrease)/Increase in unfunded post-retirement obligations	(33,241,502)	1,032,667
(Decrease)/Increase in sundry payables and accruals	207,581	(1,805,505)
(Decrease)/Increase in customers' deposits	1,401,474	775,435
Total Adjustments	138,603,009	127,816,528
Net cash provided by operating activities	\$ 345,794,273	\$ 317,417,977

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

SOURCES OF FUNDS	Water Supply System	Water Delivery System	Wastewater System	Chilled Water System	Total System	Budget		
						Current Allotments	Favorable (Unfavorable)	Variance
<b>OPERATING REVENUES</b>								
Water Resources - Misc.	\$ 223,743	\$ -	\$ -	\$ -	\$ 223,743	\$ 192,776	\$ 30,967	16.06%
Water Supply Fee	9,563,446	-	-	-	9,563,446	13,142,587	(3,579,141)	-27.23%
EAA/TCEQ Pass Through Fees	1,562,908	141,930	39,177	-	1,744,015	2,139,648	(395,633)	-18.49%
Recycled water system	390,051	-	-	-	390,051	454,688	(64,637)	-14.22%
Stormwater	435,115	-	-	-	435,115	433,666	1,449	0.33%
Metered Water - Conservation	744,645	-	-	-	744,645	932,304	(187,659)	-20.13%
Metered Water - Water Delivery	-	16,171,591	-	-	16,171,591	18,860,515	(2,688,924)	-14.26%
Affordability Discount Program	(101,993)	(101,993)	(245,538)	-	(449,524)	(473,417)	23,893	5.05%
Wastewater System	-	-	20,970,358	-	20,970,358	20,769,934	200,424	0.96%
Wastewater Surcharge	-	-	484,588	-	484,588	507,525	(22,937)	-4.52%
Chilled water	-	-	-	864,735	864,735	860,600	4,135	0.48%
Operating Transfer	469,166	(469,166)	-	-	-	-	-	0.00%
Less: Uncollectible Accounts	(140,586)	(116,860)	(134,703)	-	(392,149)	(359,403)	(32,746)	9.11%
Total operating revenues	13,146,495	15,625,502	21,113,882	864,735	50,750,614	57,461,423	(6,710,809)	-11.68%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	1,082,571	1,036,140	1,334,334	13,520	3,466,565	2,320,507	1,146,058	49.39%
Interest earned on Project Fund & R&R Funds	21,579	50,230	169,714	1,004	242,527	93,754	148,773	158.68%
Total non-operating revenues	1,104,150	1,086,370	1,504,048	14,524	3,709,092	2,414,261	1,294,831	53.63%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery and Service Extension Fees	2,653,181	1,358,870	2,010,273	-	6,022,324	5,567,993	454,331	8.16%
Total capital contributions	2,653,181	1,358,870	2,010,273	-	6,022,324	5,567,993	454,331	8.16%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 16,903,826</b>	<b>\$ 18,070,742</b>	<b>\$ 24,628,203</b>	<b>\$ 879,259</b>	<b>\$ 60,482,030</b>	<b>\$ 65,443,678</b>	<b>\$ (4,961,648)</b>	<b>-7.58%</b>
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	\$ 2,955,305	\$ 5,081,037	\$ 5,706,600	\$ 148,589	\$ 13,891,531	\$ 13,810,214	\$ (81,317)	-0.59%
Contractual services	7,884,728	3,012,369	3,248,563	436,212	14,581,872	14,206,868	(375,004)	-2.64%
Materials and supplies	226,914	646,472	836,066	49,124	1,758,576	1,917,767	(159,191)	8.30%
Other charges	254,096	356,317	465,671	23,000	1,099,084	823,402	(275,682)	-33.48%
Capitalized cost	(420,875)	(1,256,730)	(1,126,852)	(8,671)	(2,813,128)	(2,917,379)	(104,251)	3.57%
Total operation and maintenance	10,900,168	7,839,465	9,131,215	648,254	28,519,102	27,840,872	(678,230)	-2.44%
<b>OPERATING RESERVE REQUIREMENT</b>	-	-	-	-	-	-	-	0.00%
<b>DEBT REQUIREMENTS</b>								
Revenue Bonds:								
Interest costs	1,867,950	3,329,323	3,931,936	73,566	9,202,775	10,679,271	1,476,496	13.83%
Retirement of bonds	2,041,400	2,446,394	2,666,487	102,915	7,257,196	7,951,528	694,332	8.73%
Subordinate lien debt:								
Interest costs	154,228	24,221	56,989	36,087	271,525	286,440	14,915	5.21%
Retirement of bonds	183,655	28,843	67,863	42,972	323,333	318,610	(4,723)	-1.48%
Net variable interest - swap	(1,753)	(275)	(647)	(410)	(3,085)	-	3,085	0.00%
Commercial paper notes	39,019	85,784	70,435	1,440	196,678	253,467	56,789	22.40%
Other Debt Expense	49,890	61,859	79,331	7,369	198,449	196,932	(1,517)	-0.77%
Total debt requirements	4,334,389	5,976,149	6,872,394	263,939	17,446,871	19,686,249	2,239,378	11.38%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	310,880	434,612	585,548	23,713	1,354,753	1,494,204	139,451	9.33%
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>								
<b>RESTRICTED</b>	2,674,760	1,409,100	2,179,987	1,004	6,264,851	5,661,747	603,104	10.65%
<b>UNRESTRICTED</b>	(1,316,371)	2,411,416	5,859,059	(57,651)	6,896,453	10,760,606	(3,864,153)	-35.91%
Total amount available for R&R Funds	1,358,389	3,820,516	8,039,046	(56,647)	13,161,304	16,422,353	(3,261,049)	-19.86%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 16,903,826</b>	<b>\$ 18,070,742</b>	<b>\$ 24,628,203</b>	<b>\$ 879,259</b>	<b>\$ 60,482,030</b>	<b>\$ 65,443,678</b>	<b>\$ (4,961,648)</b>	<b>-7.58%</b>

**San Antonio Water System**  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS**  
 Eleven months ended November 2018

SOURCES OF FUNDS	Water Supply System	Water Delivery System	Wastewater System	Chilled Water System	Total System	Budget		
						Current Allotments	Favorable (Unfavorable)	Variance
<b>OPERATING REVENUES</b>								
Water Resources - Misc.	\$ 2,445,497	\$ -	\$ -	\$ -	\$ 2,445,497	\$ 2,120,541	\$ 324,956	15.32%
Water Supply Fee	140,743,300	-	-	-	140,743,300	148,235,782	(7,492,482)	-5.05%
EAA/TCEQ Pass Through Fees	20,828,836	1,540,216	425,386	-	22,794,438	23,942,833	(1,148,395)	-4.80%
Recycled water system	5,279,900	-	-	-	5,279,900	5,057,593	222,307	4.40%
Stormwater	4,786,206	-	-	-	4,786,206	4,770,330	15,876	0.33%
Metered Water - Conservation	10,840,395	-	-	-	10,840,395	10,338,212	502,183	4.86%
Metered Water - Water Delivery	-	206,819,351	-	-	206,819,351	208,693,220	(1,873,869)	-0.90%
Affordability Discount Program	(1,011,713)	(1,011,713)	(2,435,505)	-	(4,458,931)	(5,207,582)	748,651	14.38%
Wastewater System	-	-	233,935,777	-	233,935,777	230,785,025	3,150,752	1.37%
Wastewater Surcharge	-	-	5,664,116	-	5,664,116	5,633,385	30,731	0.55%
Chilled water	-	-	-	10,164,380	10,164,380	9,466,595	697,785	7.37%
Operating Transfer	5,160,833	(5,160,833)	-	-	-	-	-	0.00%
Less: Uncollectible Accounts	(1,736,560)	(1,443,500)	(1,663,900)	-	(4,843,960)	(3,953,435)	(890,525)	22.53%
Total operating revenues	187,336,694	200,743,521	235,925,874	10,164,380	634,170,469	639,882,501	(5,712,030)	-0.89%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	6,129,674	5,126,213	5,998,296	141,248	17,395,431	9,666,015	7,729,416	79.96%
Interest earned on Project Fund	242,126	433,230	1,354,918	10,551	2,040,825	1,031,254	1,009,571	97.90%
Other financing sources (draw on equity)	1,400,000	-	-	-	1,400,000	1,400,000	-	0.00%
Total non-operating revenues	7,771,800	5,559,443	7,353,214	151,799	20,836,256	12,097,269	8,738,987	72.24%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery and Service Extension Fees	29,466,454	19,266,163	25,376,030	-	74,108,647	67,309,504	6,799,143	10.10%
Contributions in aid of construction	-	4,721,293	-	-	4,721,293	-	4,721,293	0.00%
Total capital contributions	29,466,454	23,987,456	25,376,030	-	78,829,940	67,309,504	11,520,436	17.12%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 224,574,948</b>	<b>\$ 230,290,420</b>	<b>\$ 268,655,118</b>	<b>\$ 10,316,179</b>	<b>\$ 733,836,665</b>	<b>\$ 719,289,274</b>	<b>\$ 14,547,391</b>	<b>2.02%</b>
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	\$ 30,837,731	\$ 52,773,223	\$ 58,325,827	\$ 1,431,375	\$ 143,368,156	\$ 144,092,697	\$ 724,541	0.50%
Contractual services	78,901,726	30,054,385	36,030,655	4,993,242	149,980,008	162,256,963	12,276,955	7.57%
Materials and supplies	2,447,542	7,529,002	10,564,177	381,944	20,922,665	21,606,700	684,035	3.17%
Other charges	1,983,048	2,837,232	3,627,190	207,837	8,655,307	9,177,018	521,711	5.68%
Capitalized cost	(4,077,139)	(12,474,053)	(12,398,776)	(84,626)	(29,034,594)	(30,891,362)	(1,856,768)	6.01%
Total operation and maintenance	110,092,908	80,719,789	96,150,240	6,929,772	293,892,709	306,242,016	12,349,307	4.03%
<b>OPERATING RESERVE REQUIREMENT</b>	1,144,272	777,890	629,821	(53,282)	2,498,701	1,277,020	(1,221,681)	-95.67%
<b>DEBT REQUIREMENTS</b>								
Revenue Bonds:								
Interest costs	20,436,790	35,245,981	42,289,329	818,650	98,790,750	117,471,986	18,681,236	15.90%
Retirement of bonds	22,322,416	26,173,422	29,605,525	964,318	79,065,681	87,466,806	8,401,125	9.60%
Subordinate lien debt:								
Interest cost	1,613,455	253,390	596,186	377,526	2,840,557	3,150,843	310,286	9.85%
Retirement of bonds	1,988,021	312,214	734,598	465,167	3,500,000	3,504,722	4,722	0.13%
Net variable interest - swap	25,292	3,969	9,351	5,916	44,528	-	(44,528)	100.00%
Commercial paper notes	356,970	1,075,155	307,074	13,418	1,752,617	2,788,137	1,035,520	37.14%
Other Debt Expense	548,779	680,451	872,648	81,065	2,182,943	2,166,257	(16,686)	-0.77%
Total debt requirements	47,291,723	63,744,582	74,414,711	2,726,060	188,177,076	216,548,751	28,371,675	13.10%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	4,430,685	5,520,669	6,490,497	278,252	16,720,103	16,636,043	(84,060)	-0.51%
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>								
<b>RESTRICTED</b>	29,708,580	24,420,686	26,730,948	10,551	80,870,765	68,340,758	12,530,007	18.33%
<b>UNRESTRICTED</b>	31,906,780	55,106,804	64,238,901	424,826	151,677,311	110,244,685	41,432,626	37.58%
Total amount available for R&R Funds	61,615,360	79,527,490	90,969,849	435,377	232,548,076	178,585,444	53,962,632	30.22%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 224,574,948</b>	<b>\$ 230,290,420</b>	<b>\$ 268,655,118</b>	<b>\$ 10,316,179</b>	<b>\$ 733,836,665</b>	<b>\$ 719,289,274</b>	<b>\$ 14,547,391</b>	<b>2.02%</b>

\*Excludes non-cash portion of GASB 45 expense.

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

SOURCES OF FUNDS					Budget			
	Water Resources	Recycle Water System	Conservation	Stormwater System	Total System	Current Allotments	Favorable (Unfavorable)	Variance
<b>OPERATING REVENUES</b>								
Water Resources - Misc.	\$ 223,743	\$ -	\$ -	\$ -	\$ 223,743	\$ 192,776	\$ 30,967	16.06%
Water Supply Fee	9,563,446	-	-	-	9,563,446	13,142,587	(3,579,141)	-27.23%
EAA Fee	1,562,908	-	-	-	1,562,908	1,976,622	(413,714)	-20.93%
Recycled water system	-	390,051	-	-	390,051	454,688	(64,637)	-14.22%
Stormwater	-	-	-	435,115	435,115	433,666	1,449	0.33%
Metered Water - Conservation	-	-	744,645	-	744,645	932,304	(187,659)	-20.13%
Affordability Discount Program	(101,993)	-	-	-	(101,993)	(107,417)	5,424	5.05%
Operating Transfer	469,166	-	-	-	469,166	469,167	(1)	0.00%
Less: Uncollectible Accounts	(104,861)	(3,059)	(5,960)	(26,706)	(140,586)	(96,093)	(44,493)	46.30%
Total operating revenues	11,612,409	386,992	738,685	408,409	13,146,495	17,398,302	(4,251,806)	-24.44%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	1,070,088	11,236	845	402	1,082,571	629,668	452,903	71.93%
Interest earned on Project Fund & R&R Funds	21,579	-	-	-	21,579	28,125	(6,546)	-23.27%
Total non-operating revenues	1,091,667	11,236	845	402	1,104,150	657,793	446,357	67.86%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery Fees	2,653,181	-	-	-	2,653,181	2,288,616	364,565	15.93%
Total capital contributions	2,653,181	-	-	-	2,653,181	2,288,616	364,565	15.93%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 15,357,257</b>	<b>\$ 398,228</b>	<b>\$ 739,530</b>	<b>\$ 408,811</b>	<b>\$ 16,903,826</b>	<b>\$ 20,344,711</b>	<b>\$ (3,440,884)</b>	<b>-16.91%</b>
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	\$ 2,136,610	\$ 92,954	\$ 429,764	\$ 295,977	\$ 2,955,305	\$ 3,039,848	\$ 84,543	2.78%
Contractual services	7,246,796	47,181	399,144	191,607	7,884,728	7,580,217	(304,511)	-4.02%
Materials and supplies	198,693	11,920	7,190	9,111	226,914	307,800	80,886	26.28%
Other charges	181,444	9,799	41,049	21,804	254,096	187,769	(66,327)	0.00%
Capitalized cost	(370,475)	(29,506)	(11,969)	(8,925)	(420,875)	(459,605)	(38,730)	8.43%
Total operation and maintenance	9,393,068	132,348	865,178	509,574	10,900,168	10,656,030	(244,138)	-2.29%
<b>OPERATING RESERVE REQUIREMENT</b>	-	-	-	-	-	-	-	0.00%
<b>DEBT REQUIREMENTS</b>								
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	139,569	14,659	-	-	154,228	162,700	8,472	5.21%
Retirement of bonds	166,199	17,456	-	-	183,655	180,973	(2,682)	-1.48%
Net variable interest - swap	(1,586)	(167)	-	-	(1,753)	-	1,753	100.00%
Commercial Paper Notes	39,019	-	-	-	39,019	41,486	2,467	5.95%
Other Debt Expense	47,878	2,012	-	-	49,890	52,217	2,327	4.46%
Total debt requirements	3,309,315	1,025,074	-	-	4,334,389	4,604,082	269,693	5.86%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	287,909	3,004	19,967	-	310,880	400,947	90,067	22.46%
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>								
<b>RESTRICTED</b>	2,674,760	-	-	-	2,674,760	2,316,741	358,019	15.45%
<b>UNRESTRICTED</b>	(307,795)	(762,198)	(145,615)	(100,763)	(1,316,371)	2,366,910	(3,683,281)	-155.62%
Total amount available for R&R Funds	2,366,965	(762,198)	(145,615)	(100,763)	1,358,389	4,683,652	(3,325,263)	-71.00%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 15,357,257</b>	<b>\$ 398,228</b>	<b>\$ 739,530</b>	<b>\$ 408,811</b>	<b>\$ 16,903,826</b>	<b>\$ 20,344,711</b>	<b>\$ (3,440,885)</b>	<b>-16.91%</b>

**San Antonio Water System**  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY**  
 Eleven months ended November 2018

SOURCES OF FUNDS					Budget			
	Water Resources	Recycle Water System	Conservation	Stormwater System	Total System	Current Allotments	Favorable (Unfavorable)	Variance
<b>OPERATING REVENUES</b>								
Water Resources - Misc.	\$ 2,445,497	\$ -	\$ -	\$ -	\$ 2,445,497	\$ 2,120,541	\$ 324,956	15.32%
Water Supply Fee	140,743,300	-	-	-	140,743,300	148,235,782	(7,492,482)	-5.05%
EAA Fee	20,828,836	-	-	-	20,828,836	22,149,554	(1,320,718)	-5.96%
Recycled water system	-	5,279,900	-	-	5,279,900	5,057,593	222,307	4.40%
Stormwater	-	-	-	4,786,206	4,786,206	4,770,330	15,876	0.33%
Metered Water - Conservation	-	-	10,840,395	-	10,840,395	10,338,212	502,183	4.86%
Metered Discount Program	(1,011,713)	-	-	-	(1,011,713)	(1,181,583)	169,870	14.38%
Operating Transfer	5,160,833	-	-	-	5,160,833	5,160,837	(4)	0.00%
Less: Uncollectible Accounts	(1,295,275)	(37,783)	(73,628)	(329,874)	(1,736,560)	(1,057,018)	(679,542)	-64.29%
Total operating revenues	166,871,478	5,242,117	10,766,767	4,456,332	187,336,694	195,594,249	(8,257,555)	-4.22%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	6,029,313	91,651	5,902	2,808	6,129,674	2,766,836	3,362,838	121.54%
Interest earned on Project Fund & R&R Funds	242,126	-	-	-	242,126	309,375	(67,249)	100.00%
Other financing sources (draw on equity)	1,400,000	-	-	-	1,400,000	1,400,000	-	0.00%
Total non-operating revenues	7,671,439	91,651	5,902	2,808	7,771,800	4,476,211	3,295,589	73.62%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery Fees	29,466,454	-	-	-	29,466,454	25,174,778	4,291,676	17.05%
Total capital contributions	29,466,454	-	-	-	29,466,454	25,174,778	4,291,676	17.05%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 204,009,371</b>	<b>\$ 5,333,768</b>	<b>\$ 10,772,669</b>	<b>\$ 4,459,140</b>	<b>\$ 224,574,948</b>	<b>\$ 225,245,238</b>	<b>\$ (670,290)</b>	<b>-0.30%</b>
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	\$ 22,595,267	\$ 933,518	\$ 4,341,349	\$ 2,967,597	\$ 30,837,731	\$ 31,558,838	\$ 721,107	2.28%
Contractual services	73,183,073	934,730	3,587,103	1,196,820	78,901,726	87,845,526	8,943,800	10.18%
Materials and supplies	2,167,078	94,909	76,747	108,808	2,447,542	3,429,670	982,128	28.64%
Other charges	1,429,375	87,931	307,461	158,281	1,983,048	2,093,826	110,778	100.00%
Capitalized cost	(3,643,042)	(214,557)	(114,021)	(105,519)	(4,077,139)	(4,814,635)	(737,496)	15.32%
Total operation and maintenance	95,731,751	1,836,531	8,198,639	4,325,987	110,092,908	120,113,227	10,020,319	8.34%
<b>OPERATING RESERVE REQUIREMENT</b>	977,957	(432)	102,304	64,443	1,144,272	92,119	(1,052,153)	-1142.17%
<b>DEBT REQUIREMENTS</b>								
Revenue Bonds:								
Interest costs	17,768,137	2,668,653	-	-	20,436,790	22,546,952	2,110,162	9.36%
Retirement of bonds	14,184,255	8,138,161	-	-	22,322,416	23,286,831	964,415	4.14%
Subordinate lien debt:								
Interest costs	1,460,100	153,355	-	-	1,613,455	1,789,698	176,243	9.85%
Retirement of bonds	1,799,059	188,962	-	-	1,988,021	1,990,703	2,682	0.13%
Net variable interest - swap	22,888	2,404	-	-	25,292	-	(25,292)	100.00%
Commercial paper notes	356,970	-	-	-	356,970	456,344	99,374	21.78%
Other Debt Expense	526,650	22,129	-	-	548,779	574,386	25,607	4.46%
Total debt requirements	36,118,059	11,173,664	-	-	47,291,723	50,644,914	3,353,191	6.62%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	4,081,038	58,785	290,862	-	4,430,685	4,512,364	81,679	1.81%
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>								
<b>RESTRICTED</b>	29,708,580	-	-	-	29,708,580	25,484,153	4,224,427	100.00%
<b>UNRESTRICTED</b>	37,391,986	(7,734,780)	2,180,864	68,710	31,906,780	24,398,461	7,508,319	30.77%
Total amount available for R&R Funds	67,100,566	(7,734,780)	2,180,864	68,710	61,615,360	49,882,614	11,732,746	23.52%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 204,009,371</b>	<b>\$ 5,333,768</b>	<b>\$ 10,772,669</b>	<b>\$ 4,459,140</b>	<b>\$ 224,574,948</b>	<b>\$ 225,245,238</b>	<b>\$ (670,290)</b>	<b>-0.30%</b>

\*Excludes non-cash portion of GASB 45 expense.



**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
**For the Eleven Months Ended November 30, 2018**

Classification	Annual Budget	Current Month		Year to Date		Variance (Over)/Under	%
		Actual	Budget	Actual	Budget		
<b>SALARIES AND FRINGE BENEFITS</b>							
511100 Salaries	\$104,117,463	\$ 8,363,324	\$ 8,607,607	\$ 91,076,631	\$ 95,223,232	4,146,602	4.4%
511140 Overtime Pay	5,532,795	679,991	416,679	7,119,214	5,094,372	(2,024,842)	-39.8%
511150 On-Call Pay	544,175	62,453	44,473	615,958	499,518	(116,440)	-23.3%
511160 Employee Insurance	16,365,506	1,310,650	1,361,878	16,196,259	14,981,569	(1,214,689)	-8.1%
511162 Retirement	22,374,941	1,805,611	1,703,457	18,967,029	19,295,884	328,855	1.7%
511164 Unused Sick Leave Buyback	70,000	-	-	-	-	-	0.0%
511166 Personal Leave Buyback	950,000	966,163	950,000	966,163	950,000	(16,163)	-1.7%
511168 Accrued Vacation leave	1,200,000	78,339	100,000	1,551,762	1,100,000	(451,762)	-41.1%
511170 Incentive Pay	74,240	-	1,120	140	73,120	72,980	99.8%
511175 Other Post Employment Benefi	7,500,001	625,000	625,000	6,875,000	6,875,001	0	0.0%
<b>Salaries and Fringe Benefits Total</b>	<b>158,729,119</b>	<b>13,891,531</b>	<b>13,810,214</b>	<b>143,368,157</b>	<b>144,092,697</b>	<b>724,540</b>	<b>0.5%</b>
<b>CONTRACTUAL SERVICES</b>							
511210 Operating Expense	1,811,806	118,231	158,894	1,717,788	1,682,395	(35,393)	-2.1%
511211 Rental of Facilities	364,146	37,224	30,349	259,266	333,797	74,531	22.3%
511212 Alarm and Security	1,938,649	136,430	161,554	1,620,671	1,777,097	156,426	8.8%
511214 Uniforms and Shoe Allowance	421,270	30,656	32,115	364,951	390,069	25,119	6.4%
511216 Catering Svcs & Luncheons	108,064	21,673	7,274	117,936	100,042	(17,894)	-17.9%
511218 Project Agua Assistance	200,000	18,297	16,670	394,091	183,370	(210,721)	-114.9%
511219 Conservation Programs	3,681,572	249,237	153,292	2,293,633	2,644,119	350,486	13.3%
511220 Maintenance Expense	19,484,040	1,924,453	1,433,619	15,251,634	16,099,012	847,378	5.3%
511221 Street Cut Permit Admin Fee	850,629	85,490	70,886	737,532	779,744	42,212	5.4%
511222 St Pave/Repair Fee	1,800,545	93,573	150,046	977,588	1,650,501	672,913	40.8%
511224 Auto & Equipment Maintenance	1,490,000	298,908	124,167	1,574,057	1,365,833	(208,223)	-15.3%
511225 Damage Repair	178,740	12,255	14,895	130,799	163,845	33,046	20.2%
511230 Equipment Rental Charges	290,621	56,214	22,668	390,414	267,953	(122,462)	-45.7%
511240 Travel	192,844	21,114	11,371	128,829	169,350	40,521	23.9%
511245 Training	800,354	89,649	57,726	451,953	550,905	98,952	18.0%
511247 Conferences	102,974	5,801	4,090	46,975	99,495	52,520	52.8%
511250 Memberships and Subscription	435,294	27,401	25,267	476,096	396,273	(79,823)	-20.1%
511260 Utilities	31,611,733	1,776,834	2,732,789	29,121,036	28,792,785	(328,251)	-1.1%
511261 Water Options	42,890,827	3,793,070	3,536,561	33,996,365	39,418,450	5,422,085	13.8%
511265 Ground Water District Pay	24,668,791	1,985,839	2,050,261	21,652,099	22,552,873	900,774	4.0%
511270 Mail and Parcel Post	2,289,785	169,628	190,699	1,850,973	2,099,186	248,213	11.8%
511310 Educational Assistance	66,553	3,674	6,214	63,581	53,777	(9,804)	-18.2%
511312 Contractual Prof Svcs	33,336,847	2,425,578	2,212,392	24,912,116	29,477,540	4,565,424	15.5%
511313 Inspect & Assessment Fees	2,247,177	174,068	187,437	1,942,554	2,058,523	115,969	5.6%
511315 Temporary Employees	553,192	84,043	31,791	1,192,981	494,309	(698,672)	-141.3%
511320 Legal Services	2,170,000	246,563	158,338	1,679,718	1,741,663	61,944	3.6%
511370 Communications	1,668,165	191,416	138,808	1,533,591	1,529,479	(4,111)	-0.3%
511381 Software and Hardware Mainte	5,879,301	504,555	486,697	5,100,782	5,384,578	283,795	5.3%
<b>Contractual Services Total</b>	<b>181,533,918</b>	<b>14,581,873</b>	<b>14,206,868</b>	<b>149,980,009</b>	<b>162,256,962</b>	<b>12,276,954</b>	<b>7.6%</b>

Excludes the non-cash portion of benefit expense.

**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
**For the Eleven Months Ended November 30, 2018**

Classification	Annual Budget	Current Month		Year to Date			%
		Actual	Budget	Actual	Budget	Variance (Over)/Under	
<b>MATERIALS AND SUPPLIES</b>							
511410 Small Tools	714,802	66,071	58,948	663,008	656,750	(6,257)	-1.0%
511417 Copy and Printing Expense	24,531	-	1,847	20,737	21,700	963	4.4%
511420 Operating Materials	2,366,296	179,987	195,186	2,013,004	2,165,038	152,034	7.0%
511421 Heating Fuel	15,500	-	1,500	13,668	14,250	582	4.1%
511422 Chemicals	7,763,100	440,700	656,792	6,085,340	7,109,198	1,023,858	14.4%
511425 Education of School Children	30,000	-	300	26,332	29,700	3,368	11.3%
511426 Public Awareness-WQEE	1,000	-	85	-	915	915	100.0%
511427 Enforcement	5,000	-	1,154	-	3,846	3,846	100.0%
511430 Maintenance Materials	8,565,553	652,208	666,726	8,304,434	7,891,539	(412,894)	-5.2%
511440 Safety Materials & Supplies	874,294	134,324	71,380	856,998	799,706	(57,292)	-7.2%
511441 Inventory Variances	15,000	2,519	300	(19,551)	15,000	34,551	230.3%
511450 Tires and Tubes	702,507	104,757	58,542	515,764	643,965	128,200	19.9%
511451 Motor Fuel & Lubricants	2,460,101	178,009	205,008	2,442,930	2,255,092	(187,838)	-8.3%
<b>Materials and Supplies Total</b>	<b>23,537,683</b>	<b>1,758,575</b>	<b>1,917,767</b>	<b>20,922,664</b>	<b>21,606,700</b>	<b>684,036</b>	<b>3.2%</b>
<b>Other Charges</b>							
511510 Judgements and Claims	725,000	(56,891)	60,420	(561,983)	664,580	1,226,563	184.6%
511511 AL & GL Claims - Cont. Liab.	330,000	-	27,500	292,392	302,500	10,108	3.3%
511520 Bank Charges	-	-	-	6,840	-	(6,840)	0.0%
511525 Cash Short/(Over)	-	7,662	-	3,414	-	(3,414)	0.0%
511530 Employee Relations	203,540	19,477	8,107	119,325	147,517	28,192	19.1%
511540 Retiree Insurance	6,440,271	992,856	538,245	6,813,039	5,902,031	(911,008)	-15.4%
511570 Casualty Insurance	1,139,513	70,838	94,960	784,663	1,044,560	259,897	24.9%
511580 Unemployment Compensation	80,000	-	-	70,887	80,000	9,113	11.4%
511590 Workers Comp Medical	1,130,000	65,139	94,170	1,126,728	1,035,830	(90,898)	-8.8%
<b>Other Charges Total</b>	<b>10,048,324</b>	<b>1,099,081</b>	<b>823,402</b>	<b>8,655,305</b>	<b>9,177,018</b>	<b>521,713</b>	<b>5.7%</b>
<b>Total O&amp;M before Capitalized Costs</b>	<b>373,849,045</b>	<b>31,331,061</b>	<b>30,758,251</b>	<b>322,926,135</b>	<b>337,133,377</b>	<b>14,207,242</b>	<b>4.2%</b>
Capitalized Costs	(33,997,220)	(2,813,127)	(2,917,379)	(29,034,593)	(30,891,362)	(1,856,768)	6.0%
Intercenter Transfers	-	1,167	-	1,167	-	(1,167)	0.0%
<b>Total O&amp;M Expense</b>	<b>\$ 339,851,825</b>	<b>\$ 28,519,100</b>	<b>\$ 27,840,872</b>	<b>\$ 293,892,708</b>	<b>\$ 306,242,016</b>	<b>\$ 12,349,307</b>	<b>4.0%</b>

Excludes the non-cash portion of benefit expense.

**SAWS INVESTMENT PORTFOLIO**  
**November 30, 2018**

Investment Type	Market Value	Amortized Value	Average Yield	Average Days to Maturity
Bank Certificates of Deposit	\$ -	\$ -	0.000	0
Money Market Funds	37,437,192	37,437,192	1.880	1
External Investment Pools:				
Texpool Prime Local Gov't Pool	89,832,979	89,832,979	2.420	1
Municipal Bonds				
City & County of Honolulu, HI	2,406,450	2,405,744	2.970	701
Government Agency Securities:				
Federal Agricultural Mtg Corp	9,979,800	10,000,000	2.750	628
Federal Farm Credit Bank	162,889,760	163,707,313	2.237	481
Federal Home Loan Bank	262,533,990	263,280,526	2.137	365
Federal Home Loan Mtg. Corp.	78,454,585	78,722,504	2.156	319
Federal National Mtg. Assn.	112,484,823	112,861,750	1.964	260
Total Government Agencies	<u>626,342,957</u>	<u>628,572,094</u>	<u>2.144</u>	<u>375</u>
U. S. Treasury Securities	<u>266,225,036</u>	<u>267,035,464</u>	<u>2.381</u>	<u>378</u>
Total Investments	<u>\$ 1,022,244,614</u>	<u>\$ 1,025,283,473</u>	<u>2.222</u>	<u>330</u>

San Antonio Water System  
KEY FINANCIAL RATIOS  
For the Period Ended November 30, 2018

	Nov-18	Nov-17
Total Long-term Debt (a)	\$ 2,965,225,565	\$ 2,890,898,278
Total Water & Sewer Customer Connections (b)	957,911	941,482
<b>Long-term Debt Per Connection (a)/(b)</b>	<b>\$3,096</b>	<b>\$3,071</b>
Total Net Position	\$ 3,092,684,800	\$ 2,843,920,666
Total Liabilities & Net Position	\$ 6,402,602,426	\$ 6,068,805,217
<b>Net Position Ratio</b>	<b>48.3%</b>	<b>46.9%</b>
YTD Operating Revenues (c)	\$ 634,170,468	\$ 612,957,125
YTD Operating Expenses before Depreciation (d)	\$ 286,359,760	\$ 284,071,213
<b>Cash Operating Margin ((c)-(d))/(c)</b>	<b>54.8%</b>	<b>53.7%</b>
Rolling 12 Months		
Operating Revenues	687,965,248	\$ 665,559,923
Non-operating Revenues	17,568,668	\$ 11,514,169
Less: Revenues from CPS contract	(3,443,499)	\$ (3,426,959)
Interest earned on Project Fund Investments	(2,184,107)	\$ (1,189,292)
Build America Bond Subsidy	(3,547,137)	\$ (3,596,094)
Gross Revenues	\$ 696,359,173	\$ 668,861,747
O&M Expense before Depreciation	\$ 320,729,269	\$ 322,093,220
Pledged Revenue	\$ 375,629,904	\$ 346,768,527
Debt Service - net of Build America Bond Subsidy:		
Current Year Senior Lien	\$ 56,735,138	\$ 57,852,283
Current Year Total Bonded Debt	\$ 188,747,529	\$ 185,912,976
<b>Senior Lien Debt Coverage Ratio</b>	<b>6.62 x</b>	<b>5.99 x</b>
<b>Total Bonded Debt Coverage Ratio</b>	<b>1.99 x</b>	<b>1.87 x</b>
Unrestricted Cash & Investments	\$ 504,647,348	\$ 394,193,583
<b>Days Cash on Hand - Rolling 12 Months of O&amp;M</b>	<b>574</b>	<b>447</b>
Unrestricted Working Capital	\$ 515,232,003	\$ 408,433,086
<b>Days Working Capital on Hand - Rolling 12 Months of O&amp;M</b>	<b>586</b>	<b>463</b>

# San Antonio Water System

## CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

November 30, 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>
<b>CIP Year: 2018</b>						
Corporate	11,406,785	3,749,467	264,102	3,485,366	263,117	985
Governmental	46,218,880	51,137,084	43,680,091	7,456,993	24,552,302	383,459
Heating and Cooling	-	6,848	36,110	(29,262)	3,535	25,727
Main Replacements	194,070,308	192,931,904	141,805,443	51,126,462	35,681,637	2,321,445
Production	84,092,785	81,624,463	52,831,463	28,793,000	6,490,840	27,712
Recycle	514,000	514,000	65,155	448,845	65,155	-
Treatment	11,016,048	17,799,270	12,388,468	5,410,803	1,448,199	20,383
Water Resources	44,076,528	76,128,607	66,278,764	9,849,843	1,619,855	15,081
Plant Contributions	-	952,536	952,536	-	305,945	53,934,873
Less Contributions - Plant	-	-	-	-	(305,945)	(53,934,873)
Subtotal	391,395,334	424,844,180	318,302,131	106,542,049	70,124,639	2,794,792
<b>CIP Year: 2017</b>						
Collection	6,093,984	4,696,475	4,198,336	498,139	1,510,169	9,489
Corporate	15,652,685	2,696,983	2,332,062	364,921	2,323,644	-
Governmental	46,233,272	33,660,385	33,657,758	2,627	19,207,961	817,351
Heating and Cooling	-	13,688	-	13,688	-	-
Main Replacements	157,537,753	155,735,111	149,319,729	6,415,382	67,461,959	31,410,336
Production	21,971,393	23,929,171	22,745,223	1,183,948	12,134,044	1,034,603
Recycle	257,000	268,871	168,993	99,878	32,033	106,521
Treatment	6,445,560	10,224,766	10,064,482	160,285	6,871,008	45,694
Water Resources	113,274,800	115,536,119	114,162,574	1,373,545	10,458,290	200,320
Plant Contributions	-	-	-	-	-	61,849,071
Less Contributions - Plant	-	-	-	-	-	(61,849,071)
Subtotal	367,466,446	346,761,569	336,649,157	10,112,413	119,999,107	33,624,314
<b>CIP Year: 2016</b>						
Collection	4,432,201	2,759,929	2,643,348	116,581	537,111	1,930,792
Corporate	23,223,816	24,037,782	22,795,695	1,242,088	3,483,311	-
Governmental	52,117,030	49,857,930	49,857,930	-	27,875,364	13,815,889
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	70,718,618	38,550,684
Production	25,215,160	28,706,958	28,530,305	176,653	23,632,451	4,983,546
Treatment	4,687,680	5,412,470	5,399,659	12,811	2,834,348	435,356
Water Resources	29,140,512	29,538,472	29,430,905	107,567	23,585,482	169,734
Plant Contributions	-	-	-	-	15,675	75,735,976
Less Contributions - Plant	-	-	-	-	-	(75,735,976)
Subtotal	247,187,939	277,629,133	269,812,499	7,816,634	153,765,242	63,664,250
<b>CIP Year: 2015</b>						
Collection	1,424,640	2,336,317	2,336,317	-	776,308	1,423,223
Corporate	2,932,604	4,001,389	3,613,683	387,706	1,940,510	353,549
Governmental	54,942,932	53,155,631	53,155,631	-	9,656,102	38,818,645
Heating and Cooling	2,585,000	2,071,590	2,071,590	-	64,466	2,007,124
Main Replacements	106,176,875	88,958,390	88,869,905	88,485	27,409,747	54,875,005
Production	24,007,372	21,682,780	21,674,146	8,634	15,006,934	2,712,462
Recycle	1,500,000	171,229	171,229	-	28,658	-
Treatment	26,740,000	26,260,986	26,204,307	56,679	15,799,163	8,769,161
Water Resources	15,919,200	14,222,579	11,250,388	2,972,191	7,124,025	1,463,925
Plant Contributions	-	-	-	-	-	78,942,508
Less Contributions - Plant	-	-	-	-	-	(78,942,508)
Subtotal	236,228,623	212,860,891	209,347,196	3,513,694	77,805,913	110,423,094

Friday, December 7, 2018

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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**  
**November 30, 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>
<b>CIP Year: 2014</b>						
Collection	2,291,286	2,174,852	2,174,852	-	395,061	333,014
Corporate	14,932,117	14,206,324	14,206,324	-	-	7
Distribution	11,577,886	6,274,745	6,274,745	-	-	-
Governmental	49,111,947	31,783,479	31,783,479	-	3,982,953	4,253,779
Heating and Cooling	2,837,500	2,891,429	2,891,429	-	18,454	10,329
Main Replacements	116,336,055	84,630,363	84,630,363	-	2,312,786	5,951,560
Production	40,397,274	48,347,819	48,347,819	-	13,479,856	305,022
Recycle	3,661,505	25,813	25,813	-	17,203	7,225
Treatment	14,826,674	17,834,352	17,834,352	-	1,563,016	96,936
Water Resources	157,029,479	111,640,247	111,640,247	-	777,129	1,222,236
Plant Contributions	-	-	-	-	-	(49,755,661)
Less Contributions - Plant	-	-	-	-	-	49,755,661
Subtotal	413,001,723	319,809,423	319,809,423	-	22,546,458	12,180,108
<b>Carryover Program</b>						
South Bexar County	1,680,096	-	-	-	-	-
Building	7,795,937	55,490,425	55,490,425	-	-	(1)
Collection	371,701,663	290,072,887	290,072,887	-	5,554,340	2,829,410
Corporate	115,647,785	74,343,833	74,343,833	-	-	1,678,173
Distribution	156,883,967	157,054,745	157,054,745	-	-	1,604
Governmental	542,699,166	446,281,146	446,281,147	-	1,345,090	4,479,510
Heating and Cooling	28,697,801	23,866,007	23,866,007	-	65,627	59,142
Land	2,200,000	-	-	-	-	-
Main Replacements	523,811,388	493,216,975	493,216,975	-	10,073,467	3,568,097
Miscellaneous	5,743,107	2,317,152	2,317,152	-	-	-
Production	189,795,992	237,548,029	237,548,029	-	3,385,750	275,876
Recycle	140,966,534	152,907,903	152,907,903	-	(93,604)	281,502
Treatment	296,037,411	275,208,015	275,208,015	-	643,476	33,058
Water Resources	1,127,068,449	895,318,415	895,318,415	-	8,679,857	1,273,234
Plant Contributions	-	-	-	-	1,368	(697,894,650)
Less Contributions - Plant	-	-	-	-	-	697,893,282
Subtotal	3,510,729,296	3,103,625,533	3,103,625,533	-	29,655,370	14,478,237
Total	5,166,009,361	4,685,530,729	4,557,545,939	127,984,790	473,896,731	528,567,976

**SAN ANTONIO WATER SYSTEM  
STATISTICAL DATA**

		November		(Below) Above Prior Year
		2018	2017	
<b>Rainfall-Inches</b>				
Current Month				
Actual		1.8	0.5	Over 100 %
Normal		2.3	2.3	0 %
Percent Above(Below) Normal		(22) %	(77) %	
Year to Date				
Actual		38.9	23.3	67 %
Normal		30.4	30.4	0 %
Percent Above(Below) Normal		28 %	(23) %	
Number of days with rain		8	4	
<b>SAWS Pumping Data (Million Gallons)</b>				
SAWS Total Water Pumpage - Month		6,324	7,449	(15) %
Water Pumpage for injection to Twin Oaks ASR		653	1,229	(47) %
Water Pumpage for Consumption (includes water produced from ASR)		5,671	6,221	(9) %
SAWS Billed Water Usage (Domestic and Irrigation)*		4,424	5,177	(15) %
<b>SAWS Wastewater Data (Million Gallons)</b>				
SAWS Total Wastewater - Month		4,157	4,187	(1) %
<b>Customers</b>				
SAWS				
Number of connections (billed accounts) - WATER		505,206	496,501	2 %
Number of connections (billed accounts) - WASTEWATER		452,705	444,981	2 %
<b>Infrastructure In Service, Cumulative</b>				
Water - Miles of Main		7,143	7,053	1 %
Wastewater - Miles of Main		5,533	5,504	1 %
Manholes		108,542	107,199	1 %
Fire Hydrants		41,548	40,761	2 %
<b>Edwards Reservoir Level</b>				
High		685.6	662.9	22.7 Feet
Low		683.7	661.4	22.3 Feet
End of Month		684.6	661.4	23.2 Feet

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