

# San Antonio Water System

## *CONDENSED MONTHLY FINANCIAL REPORT March 2019*



San Antonio, Texas

# MONTHLY FINANCIAL REPORT SAN ANTONIO WATER SYSTEM MARCH 31, 2019

Attached is the monthly financial report of the San Antonio Water System (SAWS) for the month ended March 31, 2019. 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 \$16.7 million during the month.
- Operating revenues for the month of \$50.4 million were \$3.3 million unfavorable to budget but \$0.2 million more than a year ago.
- Operating expenses before depreciation for the month of \$26.6 million were \$1.5 million favorable to budget but \$4.0 million more than the prior year.
- Net interest expense was \$3.6 million favorable to budget for the month and \$1.7 less than the prior year.
- SAWS' net income before capital contributions for the month of \$4.5 million was \$1.6 million favorable to budget but \$2.8 million less than March 2018.
- Capital contributions for the month were \$12.2 million compared to the budget of \$10.9 million and \$17.6 million in March 2018.

## OVERALL FINANCIAL CONDITION

March 31, 2019	
<i>(\$ in thousands)</i>	
Assets	\$ 6,603,712
Deferred Outflows of Resources	84,600
Liabilities	(3,498,166)
Deferred Inflows of Resources	(23,848)
Total Net Position	<u>\$ 3,166,298</u>
Net Investment in Capital Assets	\$ 2,351,690
Restricted Net Position	417,222
Unrestricted Net Position	397,386
Total Net Position	<u>\$ 3,166,298</u>

During the month, SAWS' total assets and deferred outflows of resources increased \$13.3 million primarily as an increase in capital assets more than offset a decrease in cash and investments. Total liabilities and deferred inflows of resources decreased \$3.3 million as decreases in accounts payable and accrued payroll and benefits more than offset the increase in accrued interest.

Working capital totaled \$589.9 million and includes an operating reserve of \$58.4 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 47.3% at March 31, 2019, 47.2% at February 28, 2019 and 47.0% at March 31, 2018.

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 senior lien debt coverage since March 2018 reflects a 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			
	3/31/2019	2/28/2019	3/31/2018
Current Year Debt Service - Senior Lien Debt	7.54	7.57	6.26
Current Year Debt Service - Total Debt	1.98	1.99	1.92

As of March 31, 2019, 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

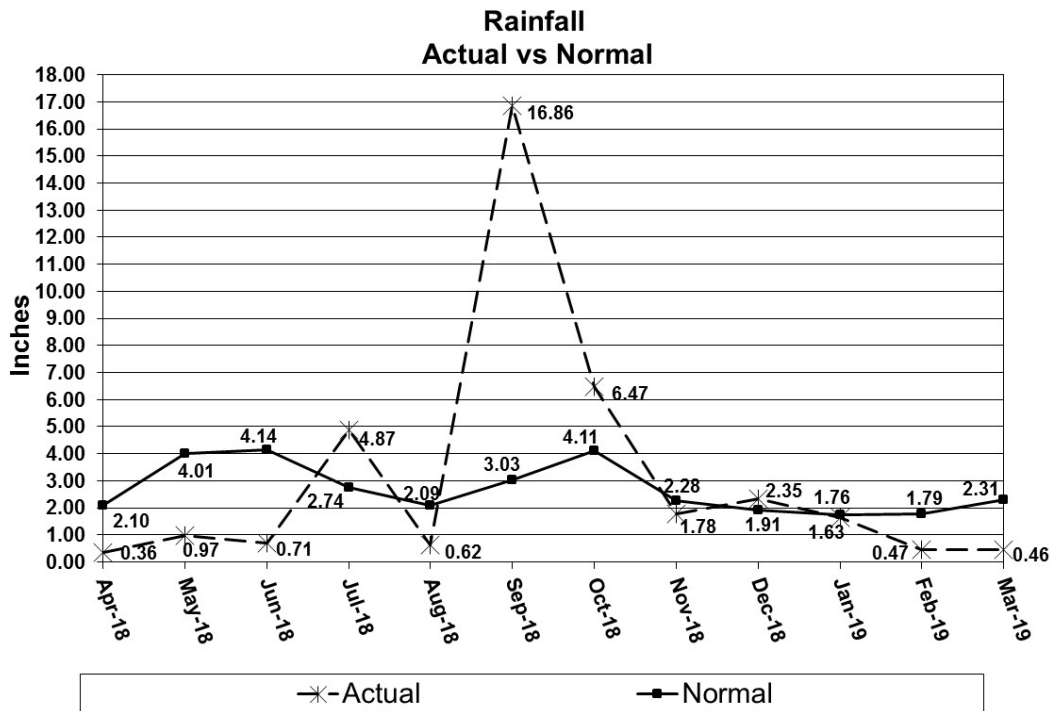
The following table shows a consolidated summary of SAWS' Statement of Revenues, Expenses and Changes in Net Position for the month of March 2019 with comparisons to both the budget and the prior year.

(\$ in thousands)	March-19		Fav (Unfav) Variance	March-18	Fav (Unfav) Variance
	Actual	Budget*	To Budget	Actual	To Prior Year
Operating Revenues					
Water Supply System	\$ 12,674	\$ 14,545	\$ (1,871)	\$ 12,903	\$ (229)
Water Delivery System	15,128	16,156	(1,028)	15,654	(526)
Wastewater System	21,910	22,168	(258)	20,834	1,076
Chilled Water System	704	868	(164)	822	(118)
Total operating revenues	<u>50,416</u>	<u>53,737</u>	<u>(3,321)</u>	<u>50,213</u>	<u>203</u>
Operating Expenses Before Depreciation	26,633	28,139	1,506	22,603	(4,030)
Depreciation Expense	13,229	12,700	(529)	13,011	(218)
Total operating expenses	<u>39,862</u>	<u>40,839</u>	<u>977</u>	<u>35,614</u>	<u>(4,248)</u>
Operating Income	10,554	12,898	(2,344)	14,599	(4,045)
Miscellaneous Revenues	11	-	11	11	-
Investment income	4,013	1,763	2,250	1,185	2,828
Interest Expense	8,517	9,898	1,381	7,407	(1,110)
Payments to the City of San Antonio	1,355	1,431	76	1,324	(31)
Other Non-operating Expense	234	460	226	(216)	(450)
Net Income (Loss) Before Capital Contributions	<u>4,472</u>	<u>2,872</u>	<u>1,600</u>	<u>7,280</u>	<u>(2,808)</u>
Contributions in Aid of Construction	477	-	477	367	110
Capital Recovery Fees	7,132	5,925	1,207	10,038	(2,906)
Plant Contributions	4,610	5,000	(390)	7,238	(2,628)
Total Contributions	<u>12,219</u>	<u>10,925</u>	<u>1,294</u>	<u>17,643</u>	<u>(5,424)</u>
Change in Net Position	<u>\$ 16,691</u>	<u>\$ 13,797</u>	<u>\$ 2,894</u>	<u>\$ 24,923</u>	<u>\$ (8,232)</u>

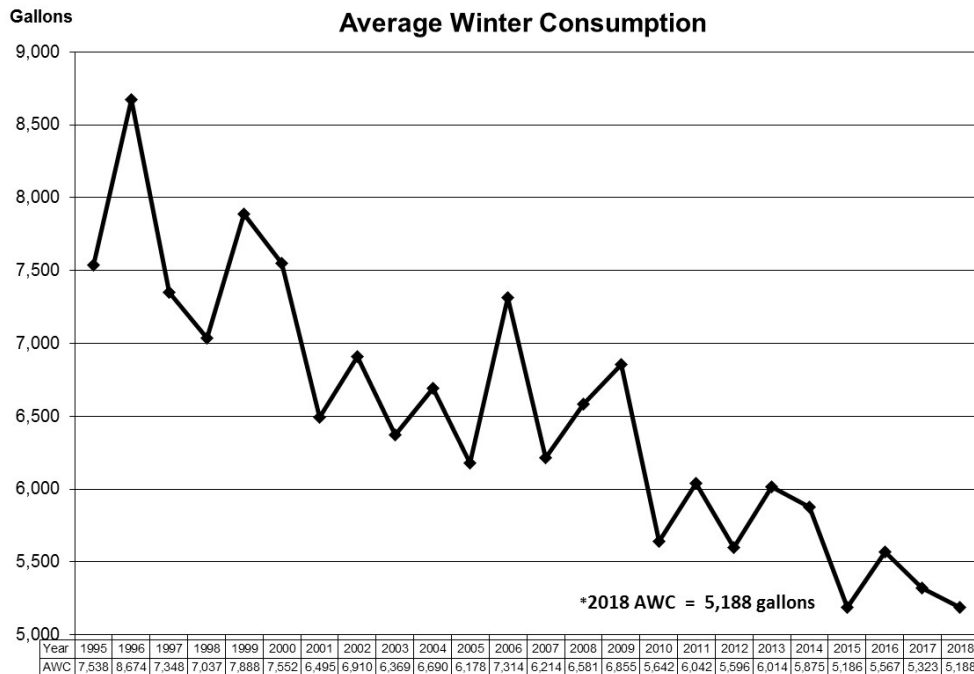
\*Budget includes adjustments to certain benefit related costs in order to comply with generally accepted accounting principles. The budget reflected on the Schedule of Sources and Uses reflects these costs on a cash basis, which is utilized for rate-making purposes.

Total operating revenues were \$3.3 million unfavorable to budget but \$0.2 million more than March 2018. Water delivery and supply revenues of \$27.8 million were \$2.9 million unfavorable to budget and \$0.8 million less than March 2018. Billed usage for the month was 7.9% less than budget. Billed usage largely reflects actual consumption and weather conditions during the previous month.

The area experienced 10 days of measurable rainfall and 16 cloudy days during February, which resulted in March's unfavorable variance. A 3.9% decrease in usage from March 2018 was partially mitigated by the average water rate adjustment of 1.8% that went into effect on February 1, 2019, which resulted in the decrease in revenue from the prior year.



Wastewater revenue for the month of \$21.9 million was \$0.3 million unfavorable to budget but \$1.1 million more than the prior year. A decrease in wholesale revenues contributed to the unfavorable variance to budget for the month. An 8.0% rate increase that went into effect on February 1, 2019 contributed to the increase in revenues from the prior year.



Operating expenses before depreciation of \$26.6 million were \$1.5 million favorable to budget for the month but \$4.0 million more than a year ago. The favorable variance to budget is primarily due to favorable variances in maintenance expense, utilities and professional services. The increase in expenses from last year is primarily due to a decrease in capitalized expenses and an increase in spending on payroll and benefits.

Investment income for the month was \$2.3 million favorable to budget and \$2.8 million more than March 2018. The yield on SAWS' investment portfolio was 2.47% for the month compared to the budgeted yield of 2.35% and 1.50% earned on the portfolio a year ago. The favorable variance to budget and the prior year is primarily due to a positive \$1.4 million mark to market adjustment combined with increased investment yields and balances.

Interest expense for the month was \$1.4 million favorable to budget but \$1.1 million more than March 2018. 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 and the decrease in capitalized interest due to implementing Governmental Standards Accounting Board (GASB) Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*, which is discussed below.

In March 2019, capital contributions included \$0.5 million in contributions in aid of construction, \$7.1 million in capital recovery fees and \$4.6 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 1.5% over the last 12 months (April 2018 - March 2019) and 1.6% for the preceding 12 month period (April 2017 - March 2018).

## CASH FLOWS

Cash and cash equivalents increased \$45.3 million during March 2019. Cash inflows during the month included \$15.0 million from operations, \$7.1 million in proceeds from developers and \$55.0 million from investment activities. Cash outflows for the month consisted primarily of \$30.0 million spent on the acquisition and construction of property, plant and equipment.

The following table summarizes the Capital Improvement Programs (CIP) from 2017 through 2019. In order to fully execute the planned CIP, SAWS is projected to award \$337.8 million in additional capital contracts. Additionally, outstanding commitments on awarded contracts total \$557.1 million at March 31, 2019.

<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>
CY2019	\$ 377.3	\$ 339.7	\$ 47.8	14.1%
CY2018	391.4	433.3	408.3	94.2%
CY2017	367.5	347.8	337.9	97.2%
	<u>\$ 1,136.2</u>	<u>\$ 1,120.8</u>	<u>\$ 794.0</u>	70.8%

## CAPITALIZED INTEREST

Effective January 1, 2019, SAWS implemented GASB Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*. GASB Statement No. 89 requires that interest expense associated with the construction of capital assets be recognized as an expense of the period. Previously, GASB required interest costs to be capitalized and included in the historical cost of a capital asset. SAWS capitalized \$6.6 million of interest charges during the twelve months ended December 2018. Based on the requirements of GASB Statement No. 89, SAWS will apply the change prospectively.

Respectfully submitted,



Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

**CONDENSED  
MONTHLY FINANCIAL REPORT  
SAN ANTONIO WATER SYSTEM  
March 31, 2019**

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**San Antonio Water System**  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY**  
 Three months ended March 2019

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.	\$ 501,841	\$ -	\$ -	\$ -	\$ 501,841	\$ 785,094	\$ (283,253)	-36.08%
Water Supply Fee	29,784,302	-	-	-	29,784,302	34,173,065	(4,388,763)	-12.84%
EAA Fee	4,769,813	-	-	-	4,769,813	5,211,149	(441,336)	-8.47%
Recycled water system	-	1,351,732	-	-	1,351,732	1,326,389	25,343	1.91%
Stormwater	-	-	-	1,305,343	1,305,343	1,300,998	4,345	0.33%
Metered Water - Conservation	-	-	2,115,212	-	2,115,212	2,188,979	(73,767)	-3.37%
Metered Discount Program	(328,875)	-	-	-	(328,875)	(343,494)	14,619	4.26%
Operating Transfer	1,407,500	-	-	-	1,407,500	1,407,500	-	0.00%
Less: Uncollectible Accounts	(314,767)	(9,136)	(17,176)	(82,224)	(423,303)	(362,007)	(61,296)	-16.93%
Total operating revenues	35,819,814	1,342,596	2,098,036	1,223,119	40,483,565	45,687,673	(5,204,108)	-11.39%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	1,727,542	31,877	6,799	3,567	1,769,785	1,348,314	421,471	31.26%
Interest earned on Project Fund & R&R Funds	190,212	-	-	-	190,212	237,939	(47,727)	100.00%
Total non-operating revenues	1,917,754	31,877	6,799	3,567	1,959,997	1,586,253	373,744	23.56%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery Fees	8,705,512	-	-	-	8,705,512	6,563,519	2,141,993	32.63%
Total capital contributions	8,705,512	-	-	-	8,705,512	6,563,519	2,141,993	32.63%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 46,443,080</b>	<b>\$ 1,374,473</b>	<b>\$ 2,104,835</b>	<b>\$ 1,226,686</b>	<b>\$ 51,149,074</b>	<b>\$ 53,837,445</b>	<b>\$ (2,688,371)</b>	<b>-4.99%</b>
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	\$ 6,123,722	\$ 261,733	\$ 1,051,095	\$ 812,075	\$ 8,248,625	\$ 8,714,790	\$ 466,165	5.35%
Contractual services	20,275,818	169,843	811,081	268,834	21,525,576	21,980,407	454,831	2.07%
Materials and supplies	421,143	14,692	27,303	29,615	492,753	953,131	460,378	48.30%
Other charges	363,965	22,130	71,676	34,412	492,183	704,794	212,611	100.00%
Capitalized cost	(980,830)	(57,988)	(41,964)	(27,345)	(1,108,127)	(995,019)	113,108	-11.37%
Total operation and maintenance	26,203,818	410,410	1,919,191	1,117,591	29,651,010	31,358,103	1,707,093	5.44%
<b>OPERATING RESERVE REQUIREMENT</b>	(520,289)	49,412	(53,776)	41,522	(483,131)	491,040	974,171	198.39%
<b>DEBT REQUIREMENTS</b>								
Revenue Bonds:								
Interest costs	4,914,903	688,947	-	-	5,603,850	5,661,577	57,727	1.02%
Retirement of bonds	3,839,805	2,284,395	-	-	6,124,200	5,529,256	(594,944)	-10.76%
Subordinate lien debt:								
Interest costs	386,099	40,552	-	-	426,651	465,405	38,754	8.33%
Retirement of bonds	498,596	52,370	-	-	550,966	567,534	16,568	2.92%
Net variable interest - swap	14,269	1,499	-	-	15,768	-	(15,768)	100.00%
Commercial paper notes	117,412	-	-	-	117,412	261,360	143,948	55.08%
Other Debt Expense	147,925	6,216	-	-	154,141	153,606	(535)	-0.35%
Total debt requirements	9,919,009	3,073,979	-	-	12,992,988	12,638,738	(354,250)	-2.80%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	859,659	13,867	56,831	-	930,357	1,072,388	142,031	13.24%
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>								
<b>RESTRICTED</b>	8,895,724	-	-	-	8,895,724	6,801,458	2,094,266	100.00%
<b>UNRESTRICTED</b>	1,085,159	(2,173,195)	182,589	67,573	(837,874)	1,475,718	(2,313,592)	-156.78%
Total amount available for R&R Funds	9,980,883	(2,173,195)	182,589	67,573	8,057,850	8,277,176	(219,326)	-2.65%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 46,443,080</b>	<b>\$ 1,374,473</b>	<b>\$ 2,104,835</b>	<b>\$ 1,226,686</b>	<b>\$ 51,149,074</b>	<b>\$ 53,837,445</b>	<b>\$ (2,688,371)</b>	<b>-4.99%</b>



**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
For the Three Months Ended March 31, 2019

Classification	Annual Budget	Current Month		Year to Date		Variance (Over)/Under	%
		Actual	Budget	Actual	Budget		
<b>SALARIES AND FRINGE BENEFITS</b>							
511100-Salaries	\$107,238,162	\$ 8,652,364	\$ 8,781,054	\$ 24,998,243	\$ 26,343,161	1,344,919	5.1%
511140-Overtime Pay	5,486,480	641,070	440,886	1,994,463	1,409,620	(584,842)	-41.5%
511150-On-Call Pay	638,838	55,183	52,355	186,106	157,449	(28,657)	-18.2%
511160-Employee Insurance	17,047,062	1,712,199	1,420,405	4,444,547	4,241,345	(203,202)	-4.8%
511162-Retirement	22,491,502	1,780,455	1,757,509	5,137,936	5,281,862	143,927	2.7%
511164-Unused Sick Leave Buyback	70,000	-	-	-	-	-	0.0%
511166-Personal Leave Buyback	950,000	-	-	-	-	-	0.0%
511168-Accrued Vacation leave	1,200,000	291,816	250,000	680,835	700,000	19,165	2.7%
511170-Incentive Pay	60,800	-	-	-	-	-	0.0%
511175-Other Post Employment Benefit	7,500,000	625,000	625,000	1,875,000	1,875,000	-	0.0%
<b>Salaries and Fringe Benefits Total</b>	<b>162,682,845</b>	<b>13,758,087</b>	<b>13,327,209</b>	<b>39,317,128</b>	<b>40,008,437</b>	<b>691,310</b>	<b>1.7%</b>
<b>CONTRACTUAL SERVICES</b>							
511210-Operating Expense	1,569,426	247,436	129,084	471,816	448,138	(23,678)	-5.3%
511211-Rental of Facilities	350,655	3,360	29,088	44,009	88,863	44,854	50.5%
511212-Alarm and Security	1,938,649	172,159	161,554	468,952	484,662	15,710	3.2%
511214-Uniforms and Shoe Allowance	431,811	39,658	40,889	122,193	129,828	7,635	5.9%
511216-Catering Svcs and Luncheons	108,981	9,741	9,081	30,320	29,428	(893)	-3.0%
511218-Project Agua Assistance	400,000	35,725	33,333	125,893	100,003	(25,890)	-25.9%
511219-Conservation Programs	3,642,153	184,361	159,167	457,713	335,000	(122,713)	-36.6%
511220-Maintenance Expense	21,909,349	1,378,843	2,013,819	3,065,198	5,237,423	2,172,226	41.5%
511221-Street Cut Permit Admin Fee	850,629	1,240	70,886	116,440	212,657	96,217	45.3%
511222-St Pave/Repair Fee	1,800,545	12,434	150,046	179,929	450,137	270,208	60.0%
511224-Auto and Equip. Maintenance P	1,490,000	177,505	124,167	245,629	372,497	126,868	34.1%
511225-Damage Repair	178,740	4,642	14,895	40,249	44,685	4,436	9.9%
511230-Equipment Rental Charges	305,120	46,914	23,877	95,768	76,280	(19,488)	-25.6%
511240-Travel	208,522	25,410	25,631	41,855	55,210	13,355	24.2%
511245-Training	732,750	15,493	56,456	44,310	106,633	62,323	58.5%
511247-Conferences	99,212	4,385	9,935	9,665	26,470	16,805	63.5%
511250-Memberships and Subscriptions	438,032	115,621	18,725	229,617	228,042	(1,576)	-0.7%
511260-Utilities	31,443,763	1,851,911	2,262,053	5,861,581	6,693,889	832,309	12.4%
511261-Water Options	44,168,695	3,642,339	3,450,539	11,987,945	10,665,206	(1,322,739)	-12.4%
511265-Ground Water District Pay	24,406,627	1,959,845	2,021,081	5,855,506	6,063,243	207,737	3.4%
511270-Mail and Parcel Post	2,289,135	168,937	190,944	513,132	572,508	59,377	10.4%
511280-Telemetering Charges	3,360	171	280	343	840	497	59.2%
511310-Educational Assistance	76,553	7,864	3,328	22,594	19,732	(2,862)	-14.5%
511312-Contractual Prof Svcs	28,726,640	1,840,354	2,196,720	4,182,024	6,377,230	2,195,206	34.4%
511313-Inspect and Assessment Fees	2,286,101	174,067	198,264	522,200	578,888	56,688	9.8%
511315-Temporary Employees	544,992	87,132	44,999	183,711	119,998	(63,713)	-53.1%
511320-Legal Services	3,390,000	152,003	282,498	293,512	847,494	553,982	65.4%
511370-Communications	1,619,512	104,018	134,629	219,737	407,472	187,735	46.1%
511381-Software and Hardware Mainte	6,354,300	258,586	511,784	1,132,200	1,585,876	453,676	28.6%
<b>Contractual Services Total</b>	<b>181,764,253</b>	<b>12,722,155</b>	<b>14,367,751</b>	<b>36,564,040</b>	<b>42,358,331</b>	<b>5,794,291</b>	<b>13.7%</b>

Excludes the non-cash portion of benefit expense.

**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
For the Three Months Ended March 31, 2019

Classification	Annual Budget	Current Month		Year to Date			%
		Actual	Budget	Actual	Budget	Variance (Over)/Under	
<b>Materials and Supplies</b>							
511410-Small Tools	679,910	68,512	58,003	177,196	171,631	(5,565)	-3.2%
511417-Copy and Printing Expense	24,331	1,638	3,008	4,127	6,558	2,431	37.1%
511420-Operating Materials	2,296,974	221,989	186,962	535,956	612,946	76,990	12.6%
511421-Heating Fuel	15,500	8,586	1,250	14,287	4,000	(10,287)	-257.2%
511422-Chemicals	7,556,885	482,578	627,701	1,671,315	1,901,487	230,171	12.1%
511425-Education of School Children	30,000	(117)	2,500	7,245	7,500	255	3.4%
511426-Public Awareness-WQEE	1,000	-	83	-	249	249	100.0%
511427-Enforcement	5,000	-	-	-	-	-	0.0%
511430-Maintenance Materials	8,951,127	828,316	745,548	2,311,724	2,238,018	(73,706)	-3.3%
511440-Safety Materials and Supplies	858,181	105,324	70,768	219,242	215,393	(3,849)	-1.8%
511441-Inventory Variances	15,000	3,266	3,600	25,118	9,900	(15,218)	-153.7%
511450-Tires and Tubes	702,507	53,090	58,542	114,333	175,627	61,294	34.9%
511451-Motor Fuel and Lubricants	2,642,882	113,009	230,886	425,058	625,512	200,454	32.1%
511460-Freight	-	-	-	17	-	(17)	0.0%
511485-Invoice Tolerance	-	-	-	380	-	(380)	0.0%
<b>Materials and Supplies Total</b>	<b>23,779,296</b>	<b>1,886,192</b>	<b>1,988,851</b>	<b>5,505,999</b>	<b>5,968,821</b>	<b>462,823</b>	<b>7.8%</b>
<b>Other Charges</b>							
511510-Judgements and Claims	725,000	(6,170)	60,415	75,178	181,245	106,067	58.5%
511511-AL/GL Claims-Cont. Liab.	330,000	-	27,500	-	82,500	82,500	100.0%
511520-Bank Charges	10,000	1,663	1,000	4,480	3,000	(1,480)	-49.3%
511525-Cash Short/(Over)	-	(273)	-	(20,658)	-	20,658	0.0%
511530-Employee Relations	197,990	4,734	7,205	10,685	36,615	25,930	70.8%
511540-Retiree Insurance	8,011,384	635,485	669,171	1,601,008	1,988,849	387,841	19.5%
511570-Casualty Insurance	1,139,513	79,760	94,960	244,168	284,880	40,712	14.3%
511580-Unemployment Compensation	80,000	10,401	-	10,401	20,000	9,599	48.0%
511590-Workers Comp Medical	1,130,000	52,888	94,165	115,318	282,495	167,177	59.2%
<b>Other Charges Total</b>	<b>11,623,887</b>	<b>778,489</b>	<b>954,416</b>	<b>2,040,578</b>	<b>2,879,584</b>	<b>839,005</b>	<b>29.1%</b>
<b>O&amp;M Before Capitalized Cost Total</b>	<b>379,850,280</b>	<b>29,144,922</b>	<b>30,638,227</b>	<b>83,427,745</b>	<b>91,215,174</b>	<b>7,787,429</b>	<b>8.5%</b>
Capitalized Cost	(29,403,763)	(2,512,247)	(2,499,341)	(7,201,576)	(7,372,427)	(170,851)	2.3%
<b>Grand Total</b>	<b>\$ 350,446,517</b>	<b>\$ 26,632,675</b>	<b>\$ 28,138,887</b>	<b>\$ 76,226,169</b>	<b>\$ 83,842,747</b>	<b>\$ 7,616,578</b>	<b>9.1%</b>

Excludes the non-cash portion of benefit expense.

**SAWS INVESTMENT PORTFOLIO**

**March 31, 2019**

Investment Type	Market Value	Amortized Value	Average Yield	Average Days to Maturity
Money Market Funds	26,928,131	26,928,131	2.380	1
External Investment Pools:				
Texas Class Investment Pool	262,875,434	262,875,434	2.630	1
Texpool Prime Local Gov't Pool	115,744,041	115,744,041	2.600	1
Total External Investment Pools	378,619,475	378,619,475	2.621	1
Municipal Bonds				
Albert Lea ISD, MN	691,679	686,199	2.902	672
City & County of Honolulu, HI	2,431,045	2,411,702	2.970	580
State of California Dept. Wtr.	2,955,310	2,943,772	2.681	761
City of Charlotte, NC	3,653,031	3,630,874	2.740	792
Texas A&M University, TX	1,115,618	1,107,445	2.690	775
New York State Dorm Auth, NY	2,975,220	2,952,685	3.736	714
Total Municipal Bonds	13,821,903	13,732,677	2.769	661
Government Agency Securities:				
Federal Agricultural Mtg Corp	10,049,200	10,000,000	2.750	507
Federal Farm Credit Bank	158,609,439	158,271,617	2.434	479
Federal Home Loan Bank	211,224,460	210,807,469	2.433	399
Federal Home Loan Mtg. Corp.	91,543,482	91,515,584	2.313	345
Federal National Mtg. Assn.	76,362,680	76,392,813	2.309	282
Total Government Agencies	547,789,261	546,987,483	2.402	399
U. S. Treasury Securities	247,612,597	247,445,427	2.423	320
Total Investments	\$ 1,214,771,367	\$ 1,213,713,193	2.474	254

San Antonio Water System  
KEY FINANCIAL RATIOS  
For the Period Ended March 31, 2019

	Mar-19	Mar-18
Total Long-term Debt (a)	\$ 3,145,039,943	\$ 2,923,004,380
Total Water & Sewer Customer Connections (b)	962,198	946,762
<b>Long-term Debt Per Connection (a)/(b)</b>	<b>\$ 3,269</b>	<b>\$ 3,087</b>
Total Net Position	\$ 3,166,297,918	\$ 2,911,854,704
Total Liabilities & Net Position	\$ 6,688,311,409	\$ 6,198,635,019
<b>Net Position Ratio</b>	<b>47.3%</b>	<b>47.0%</b>
YTD Operating Revenues (c)	\$ 157,950,788	\$ 151,786,919
YTD Operating Expenses before Depreciation (d)	\$ 76,226,169	\$ 74,592,629
<b>Cash Operating Margin ((c)-(d))/(c)</b>	<b>51.7%</b>	<b>50.9%</b>
Rolling 12 Months		
Operating Revenues	\$ 697,209,650	\$ 672,630,764
Non-Operating Revenues	28,088,983	12,149,056
Less: Revenues from CPS contract	(3,443,499)	(3,443,500)
Interest Earned on Project Fund Investments	(3,267,859)	(1,289,631)
Build America Bond Subsidy	(3,547,137)	(3,596,094)
Gross Revenues	\$ 715,040,138	\$ 676,450,595
O&M Expense before Depreciation	\$ 326,226,955	\$ 321,431,396
Pledged Revenue	\$ 388,813,183	\$ 355,019,199
Debt Service - Net of Build America Bond Subsidy:		
Current Year Senior Lien	\$ 51,572,201	\$ 56,742,665
Current Year Total Bonded Debt	\$ 196,112,671	\$ 184,534,691
<b>Senior Lien Debt Coverage Ratio</b>	<b>7.54 x</b>	<b>6.26 x</b>
<b>Total Bonded Debt Coverage Ratio</b>	<b>1.98 x</b>	<b>1.92 x</b>
Unrestricted Cash & Investments	\$ 502,075,715	\$ 397,211,904
<b>Days Cash on Hand - Rolling 12 Months of O&amp;M</b>	<b>562</b>	<b>451</b>
Unrestricted Working Capital	\$ 530,701,919	\$ 415,045,202
<b>Days Working Capital on Hand - Rolling 12 Months of O&amp;M</b>	<b>594</b>	<b>471</b>
Total Long-term Debt	\$ 3,145,039,943	\$ 2,923,004,380
Bonds Payable Within One Year	87,060,001	84,875,000
Total Debt Outstanding (e)	\$ 3,232,099,944	\$ 3,007,879,380
Rolling 12 Months		
Operating Revenues (g)	\$ 697,209,650	\$ 672,630,764
Non-Operating Revenues	28,088,983	12,149,056
Gain (Loss) on Sale of Fixed Assets	481,005	1,185,702
Capital Recovery Fees	81,310,625	76,289,833
Less: O&M Expense before Depreciation	(326,226,955)	(321,431,396)
Funds Available for Debt Service (f)	\$ 480,863,308	\$ 440,823,959
<b>Funds Available for Debt Service Ratio (e)/(f)</b>	<b>6.72 x</b>	<b>6.82 x</b>
<b>Total Debt to Operating Revenue Ratio (e)/(g)</b>	<b>4.64 x</b>	<b>4.47 x</b>

# San Antonio Water System

## CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

### March 31, 2019

	<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: 2019</b>						
Collection	1,757,880	2,015,590	257,710	1,757,880	125,078	- 132,632
Corporate	44,258,419	38,376,145	98,808	38,277,336	98,808	-
Governmental	48,213,200	46,308,005	11,381,413	34,926,592	1,730,919	4,230 9,646,265
Heating and Cooling	125,000	125,000	4,498	120,502	4,498	-
Main Replacements	153,621,163	156,271,793	30,002,037	126,269,756	7,808,816	25,600 22,167,622
Production	29,347,344	30,463,762	2,936,420	27,527,342	737,442	269 2,198,709
Recycle	430,600	430,157	28,450	401,707	28,450	-
Treatment	31,148,400	30,322,580	1,998,568	28,324,012	225,052	- 1,773,516
Water Resources	68,364,520	35,074,641	741,725	34,332,916	741,725	-
Plant Contributions	-	344,974	344,974	-	-	12,405,401 (12,060,427)
Less Contributions - Plant	-	-	-	-	-	(12,405,401) 12,405,401
Subtotal	377,266,526	339,732,647	47,794,603	291,938,044	11,500,787	30,098 36,263,719
<b>CIP Year: 2018</b>						
Corporate	11,406,785	1,646,679	289,719	1,356,960	288,734	985 -
Governmental	46,218,880	54,347,120	48,386,769	5,960,351	29,033,976	2,477,311 16,875,482
Heating and Cooling	-	6,848	36,459	(29,611)	3,884	25,727 6,848
Main Replacements	194,070,308	197,926,231	191,979,137	5,947,094	39,427,675	24,809,375 127,742,087
Production	84,092,785	81,686,856	74,762,123	6,924,733	11,780,138	27,712 62,954,273
Recycle	514,000	514,000	70,528	443,472	70,528	-
Treatment	11,016,048	18,554,135	18,478,532	75,603	2,135,728	20,383 16,322,422
Water Resources	44,076,528	77,364,157	73,073,789	4,290,368	2,158,733	20,208 70,894,848
Plant Contributions	-	1,225,009	1,225,009	-	305,945	61,652,465 (60,733,400)
Less Contributions - Plant	-	-	-	-	(305,945)	(61,652,465) 61,958,409
Subtotal	391,395,334	433,271,035	408,302,065	24,968,970	84,899,395	27,381,701 296,020,969
<b>CIP Year: 2017</b>						
Collection	6,093,984	4,730,611	4,232,472	498,139	2,163,486	9,489 2,059,497
Corporate	15,652,685	2,696,983	2,366,425	330,558	2,323,644	- 42,781
Governmental	46,233,272	33,612,253	33,612,253	-	19,182,479	2,440,495 11,989,279
Heating and Cooling	-	13,688	-	13,688	-	-
Main Replacements	157,537,753	156,781,963	150,375,576	6,406,387	84,424,803	33,679,008 32,271,765
Production	21,971,393	23,889,238	23,196,013	693,226	16,308,627	1,034,603 5,852,783
Recycle	257,000	268,871	168,993	99,878	32,405	106,521 30,068
Treatment	6,445,560	10,224,766	10,064,482	160,285	7,967,294	45,694 2,051,494
Water Resources	113,274,800	115,536,119	113,890,237	1,645,881	26,542,145	200,320 87,147,772
Plant Contributions	-	-	-	-	-	61,849,071 (61,849,071)
Less Contributions - Plant	-	-	-	-	-	(61,849,071) 61,849,071
Subtotal	367,466,446	347,754,492	337,906,451	9,848,041	158,944,881	37,516,130 141,445,440
<b>CIP Year: 2016</b>						
Collection	4,432,201	2,756,120	2,644,114	112,006	537,877	1,930,792 175,446
Corporate	23,223,816	24,037,782	22,860,863	1,176,920	5,529,597	- 17,331,266
Governmental	52,117,030	49,830,562	49,830,562	-	26,950,118	14,948,926 7,931,518
Heating and Cooling	4,903,375	5,017,399	4,993,860	23,539	1,082,882	3,778,249 132,729
Main Replacements	103,468,163	133,066,918	126,929,521	6,137,397	76,558,388	38,899,001 11,472,132
Production	25,215,160	29,145,052	28,968,399	176,653	23,683,059	4,983,546 301,794
Treatment	4,101,720	5,399,659	5,399,659	-	4,457,975	435,356 506,328
Water Resources	29,140,512	29,553,367	29,450,567	102,800	25,927,343	244,734 3,278,491
Plant Contributions	-	-	-	-	15,675	75,735,976 (75,751,651)
Less Contributions - Plant	-	-	-	-	-	(75,735,976) 75,735,976
Subtotal	246,601,979	278,806,860	271,077,546	7,729,314	164,742,914	65,220,604 41,114,029

# San Antonio Water System

## CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

### March 31, 2019

	<i>CIP</i> <b>Plan</b>	<i>Revised CIP</i> <b>Plan</b>	<i>Commit/Plan</i> <b>Commitments</b>	<i>Open Job</i> <b>Variance</b>	<i>Open Job</i> <b>Charges</b>	<i>Closed Job</i> <b>Charges</b>	<i>Commit/Charges</i> <b>Variance</b>
<b>CIP Year: 2015</b>							
Collection	1,424,640	2,337,121	2,337,121	-	789,961	1,423,223	123,936
Corporate	2,932,604	4,001,389	3,799,513	201,876	2,617,699	353,549	828,266
Governmental	54,942,932	53,135,296	53,135,295	-	2,326,826	46,304,386	4,504,084
Heating and Cooling	2,585,000	2,071,590	2,071,590	-	64,466	2,007,124	-
Main Replacements	106,176,875	89,082,120	88,993,635	88,485	27,008,700	56,018,974	5,965,962
Production	24,007,372	21,449,896	21,441,262	8,634	16,091,149	2,712,462	2,637,652
Recycle	1,500,000	171,229	171,229	-	28,658	-	142,572
Treatment	26,740,000	26,204,479	26,183,375	21,104	16,142,848	8,769,161	1,271,366
Water Resources	15,919,200	14,222,579	11,250,388	2,972,191	7,214,695	1,463,925	2,571,768
Plant Contributions	-	-	-	-	-	78,942,508	(78,942,508)
Less Contributions - Plant	-	-	-	-	-	(78,942,508)	78,942,508
Subtotal	236,228,623	212,675,698	209,383,409	3,292,289	72,285,001	119,052,804	18,045,604
<b>Carryover Program</b>							
South Bexar County	1,680,096	-	-	-	-	-	-
Building	7,795,937	55,490,427	55,490,427	-	-	55,490,427	-
Collection	373,992,949	288,624,055	288,624,055	-	3,038,410	283,135,915	2,449,730
Corporate	130,579,902	88,550,157	88,550,157	-	-	86,871,977	1,678,181
Distribution	168,461,852	163,329,490	163,329,490	-	-	163,327,886	1,604
Governmental	591,811,114	477,227,962	477,227,962	-	3,021,016	465,889,906	8,317,040
Heating and Cooling	31,535,301	26,757,436	26,757,436	-	84,081	26,603,884	69,471
Land	2,200,000	-	-	-	-	-	-
Main Replacements	640,147,443	577,874,341	577,874,342	-	12,467,510	557,547,648	7,859,183
Miscellaneous	5,743,107	2,317,152	2,317,152	-	-	2,317,153	-
Production	230,193,266	285,895,847	285,895,847	-	16,895,623	268,476,346	523,879
Recycle	144,628,039	152,933,715	152,933,715	-	(76,401)	152,721,389	288,727
Treatment	310,864,085	293,042,367	293,042,367	-	2,234,253	290,705,881	102,233
Water Resources	1,284,097,928	1,007,184,644	1,007,184,644	-	9,456,986	994,812,072	2,915,586
Plant Contributions	-	-	-	-	1,368	747,648,943	(747,650,311)
Less Contributions - Plant	-	-	-	-	-	(747,648,943)	747,648,943
Subtotal	3,923,731,019	3,419,227,594	3,419,227,594	-	47,122,847	3,347,900,482	24,204,265
Total	5,542,689,927	5,031,468,327	4,693,691,669	337,776,658	539,495,825	3,597,101,818	557,094,026

**SAN ANTONIO WATER SYSTEM  
STATISTICAL DATA**

	March		(Below) Above Prior Year
	2019	2018	
<b>Rainfall-Inches</b>			
Current Month			
Actual	0.5	4.0	(89) %
Normal	2.3	2.3	0 %
Percent Above(Below) Normal	(80) %	74 %	
Year to Date			
Actual	2.6	6.2	(59) %
Normal	5.9	5.9	0 %
Percent Above(Below) Normal	(56) %	6 %	
Number of days with rain	8	4	
<b>SAWS Pumping Data (Million Gallons)</b>			
SAWS Total Water Pumpage - Month	6,144	6,799	(10) %
Water Pumpage for injection to Twin Oaks ASR	160	516	(69) %
Water Pumpage for Consumption (includes water produced from ASR)	5,984	6,283	(5) %
SAWS Billed Water Usage (Domestic and Irrigation)*	4,246	4,419	(4) %
<b>SAWS Wastewater Data (Million Gallons)</b>			
SAWS Total Wastewater - Month	4,059	4,098	(1) %
<b>Customers</b>			
SAWS			
Number of connections (billed accounts) - WATER	507,778	499,287	2 %
Number of connections (billed accounts) - WASTEWATER	454,420	447,475	2 %
<b>Infrastructure In Service, Cumulative</b>			
Water - Miles of Main	7,185	7,079	1 %
Wastewater - Miles of Main	5,567	5,494	1 %
Manholes	109,252	107,600	2 %
Fire Hydrants	41,829	41,091	2 %
<b>Edwards Reservoir Level</b>			
High	685.0	668.0	17.0 Feet
Low	679.9	661.1	18.8 Feet
End of Month	679.9	668.0	11.9 Feet

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