

TABLE OF CONTENTS

General Manager/Assistant General Manager's letter	1
Budget Summary.....	5
Operating Fund.....	6
Construction Fund.....	10
I&S Fund.....	13
Repair/Replacement Fund	16
Future Development Fund.....	19
Impact Fee Fund.....	22
Reserve Fund.....	25
SAWS I&S Fund.....	27
Rate Stabilization	30
Capital Improvement Projects/Equipment 5-Year Plan	33

Schertz *Seguin*

L O C A L G O V E R N M E N T C O R P O R A T I O N

TO: SSLGC Board of Directors

FROM: Amber Beard, General Manager & Valentin T. Ruiz Jr., Assistant General
 Manager

SUBJECT: FY 2021-22 Budget

DATE: June 11, 2021

On behalf of the SSLGC staff, we present the 2021-22 Budget for the Schertz/Seguin Local Government Corporation. The annual budget is presented to provide a comprehensive review of SSLGC's operations and services during the new fiscal year beginning on October 1, 2021.

In presenting the Budget Report, we would like to recognize Finance Director Susan Caddell (City of Seguin), Office Administrator Clarissa Barrientes, and Superintendent Derrik Wesch for their contributions to the development of the FY2021-22 Budget.

Each year's budget process offers unique challenges in presenting a balanced budget that maintains SSLGC's successful delivery of potable water to customers, with the least impact possible on our customers through utility rates. The specific budgets are presented in detail for your review. A summary on significant points is presented as introduction.

Review of FY2020-21 Budget

Overall, the FY2020-21 expenditures are estimated to be lower than budget appropriations. The projected Operating Fund expenditures are \$9,084,393 which is \$59,434 below budgeted expenditures.

The projected FY2020-21 Operating Fund revenues are projected to be \$9,852,101 which is \$708,274 above the budgeted revenues.

The Operating Fund is projected to end FY2020-21 with a positive estimated cash balance of \$767,708.

FY2021-22 Operating Fund Revenues

When compared to FY2020-21, the projected FY2021-22 Operating Fund Revenues show an increase of \$984,051 which represents an increase of 10.76%.

FY 2021-22 Operating Fund Expenditures

The FY2021-22 expenditures increased \$524,972, or 5.74% when compared to FY2020-21. Costs for personnel and benefits represent 18.3% of the total Operating Fund expenditures.

Some of the noted increases in expenditures include:

- | | |
|---|-----------|
| (1) Salaries and benefits (18.2% increase) | \$272,772 |
| This includes a 3% cost of living increase and up to a 2.5% merit increase for SSLGC's City of Seguin employees. This includes a 1.25% Employment Cost Index increase and up to a 4% merit increase for SSLGC's City of Schertz employees. This includes 2 additional Operator Positions and 1 Part-Time Administrative Technician. | |
| (2) Professional Services (154.5% increase) | \$195,500 |
| This includes an asset management software program and its implementation and water lease management services. | |
| (3) City Distribution Fee (new line item) | \$45,000 |
| This amount was previously drafted directly from revenues. This fee is the estimated reimbursement amount to the City of Schertz for distributing water to the City of Selma for SSLGC. | |
| (4) Building/Auto Liability (12% increase) | \$15,000 |
| This is due to TML's insurance cost changes of an estimated 8.5% Property rate increase, 10.9% Errors and Omissions increase, 1% General Liability increase and 2% Auto Liability increase. | |

Personnel

The proposed budget includes a 3% cost of living increase and up to a 2.5% merit increase for SSLGC's City of Seguin employees. The proposed budget also includes a 1.25% Employment Cost Index increase and up to a 4% merit increase for SSLGC's City of Schertz employees. This also includes 2 additional Operator positions and 1 Part-Time Administrative Technician position. The merit increases are based on employee performance ratings.

In order to address the growth demands within the water system, and maintain and improve service levels, the following additional personnel are proposed in the FY2021-22 budget:

Proposed additional positions include 2 additional Operators and 1 Part-Time Administrative Technician as a result of the growth the SSLGC system has experienced. The Guadalupe Project (estimated to be completed at the end of CY2022) adds an additional wellfield

(6 wells), treatment plant (6.0 MGD), and wellfield pipeline network of 26,734 feet to the system. The 36" Parallel Pipeline Project will add 93,790 feet of additional transmission pipeline and the South Schertz Delivery Point Project has added over 10,476 feet of additional transmission pipeline. The Part-Time Administrative Technician is proposed to assist with the implementation and administration of the Asset Management and Maintenance Programs and also aid the Operations Manager and Superintendent with their daily administrative duties.

Capital Improvement Projects

The proposed SSLGC Capital Improvement projects includes the following projects that are proposed to be funded through:

Issuance of Revenue Bonds:

Emergency Generators	\$2,000,000
----------------------	-------------

These funds will be utilized for purchase and installation of emergency generators for the SSLGC system. The generators will be phased in over a period of 5 years.

42" & 30" Parallel Pipeline Project (Engineering and Easement Acquisition)	\$3,456,000
---	-------------

These funds will be utilized for engineering and easement acquisition for this project.

Repair and Replacement Fund:

Well 6 Lowering	\$476,400
-----------------	-----------

These funds will be utilized to lower Well #6 and include the upsizing of the pump and motor

Well 6 SCADA Replacement	\$36,000
--------------------------	----------

These funds will be utilized for the replacement of SCADA components on Well 6

Pressure Filters 7-9 Painting	\$518,400
-------------------------------	-----------

These funds will be utilized for the painting of these filters and the removal and replacement of their filter media.

Pressure Filters 7-9 Valve Replacement	\$217,920
--	-----------

These funds will be utilized for the replacement of valves for these filters.

Impact Fee Fund

Springs Hill Hwy 123 Connection	\$250,000
---------------------------------	-----------

These funds will be utilized for the new connection with Springs Hill Water Supply Corporation.

Emergency Connection Project	\$2,000,000
These funds will be utilized for an emergency connection project with CRWA	

FY2021-22 Operations and Maintenance Fund

Pumps and Motors	\$100,000
These funds will be used for the capitalized replacement of pumps and motors.	

Water Transmission Lines	\$25,000
These funds will be used for the capitalized replacement of water transmission lines including ARV's, isolation valves and drain valves.	

Capital Equipment

The proposed capital equipment includes the purchase of one half-ton pickup truck in the amount of \$45,000 to replace a SUV with over 145,000 miles. In addition, \$7,000 is included in the Operating Fund to replace some Corporation staff computers.

Conclusion

The presented proposed FY2021-22 Budget represents a balanced budget that will enable the Schertz/Seguin Local Government Corporation to continue to provide quality water to its customers.

**SCHERTZ-SEGUIN LOCAL GOVERNMENT CORPORATION
2021-22 BUDGET
SUMMARY - ALL FUNDS**

Fund	Estimated Working Capital 10/1/2021	Estimated Revenues	Transfers In	Proposed Expenditures	Transfers Out	Estimated Working Capital 9/30/2022
Operating Fund	3,670,978	10,127,878	-	8,818,799	850,000	4,130,057
Construction Fund	51,185,504	3,500	-	36,109,151	-	15,079,853
I&S Fund	985,965	7,451,660	-	7,430,333	-	1,007,292
Repair/Replacement Fund	7,320,535	5,950	600,000	2,641,584	-	5,284,901
Future Development Fund	2,509,491	2,550	250,000	386,000	-	2,376,041
Impact Fund	4,693,706	605,000	-	2,150,000	-	3,148,706
Reserve Fund	1,362,297	1,050	-	-	-	1,363,347
Rate Stabilization Fund	1,526,088	1,500	-	-	-	1,527,588
SAWS I&S Fund	833,876	1,391,434	-	1,389,450	-	835,860

**SSLGC
2020/21 ANNUAL BUDGET**

**SSLGC OPERATING FUND - 058
SCHERTZ/SEGUIN LOCAL GOVT. CORP. - 5500**

The City of Seguin is utilized for services for the Schertz/Seguin Water System in accordance with a management services agreement between the City of Seguin, the City of Schertz and the Schertz/Seguin Local Government Corporation (SSLGC). The City of Seguin is the employer of record for all positions listed below with the exception of the General Manager and Assistant General Manager. The City of Schertz is the employer of record for the General Manager and Assistant General Manager. The Schertz/Seguin Local Government Corporation reimburses the City of Schertz for the costs for these positions. Since the City of Seguin is utilized for both financial and human resources administration services through the management services agreement, costs for Seguin positions are transferred directly from SSLGC accounts.

PERSONNEL SCHEDULE

POSITION TITLE:	19/20	20/21	21/22
General Manager	1	1	1
Assistant General Manager	0	1	1
Operations Manager	1	1	1
Water System Superintendent	1	1	1
Office Administrator	1	1	1
Part-Time Administrative Technician	1	0	1
Operator I	6	8	9
Operator II	4	3	4
Operator III	2	1	1
Operator IV	0	0	0
Service Worker	1	1	1
--	--	--	--
	18	18	21

BUDGET SUMMARY

This budget includes the following:

1. An increase in Professional Services of \$195,500. The cost of an asset management services is included for \$250,000.
2. An increase in City Distribution Fee of \$45,000. This is the fee the Corporation pays the City of Schertz for the water distribution to Selma. Prior to FY22, this amount was taken directly from revenues.
3. A decrease in Electric of \$401,685. In FY21, the budget included the effects from the snowstorm.
4. In FY22, the water leases will be separated between Gonzales County and Guadalupe County leases.

2021-22 Budget - SSLGC Operating Revenues

Account Number	Account Name	FY 2020 Actual	FY 2021 Budget	FY 2021 03/31/21	FY 2021 Estimates	FY2022 Budget
058 - SCHERTZ-SEGUIN GOV'T CORP OPERATING FUND						
Revenue						
Charges for Services						
058-341003	Management Services-CVLGC	50,000	0	0	0	0
058-341005	SAWS Well Field Operation	85,009	0	43,767	87,534	90,379
Charges for Services Total:		135,009	0	43,767	87,534	90,379
Utility						
058-343007	Water Sales	9,368,809	9,143,827	4,635,670	9,631,355	9,673,367
Utility Totals:		9,368,809	9,143,827	4,635,670	9,631,355	9,673,367
Interest Revenues						
058-361002	Investment Pools Interest Earnings	2,110	0	245	350	300
058-361004	Texas CLASS Interest Earnings	21,321	0	2,156	3,650	3,000
058-361020	Restricted Cash	(231)	0	(5)	(150)	(200)
Interest Revenues Totals:		23,200	0	2,397	3,850	3,100
Miscellaneous Revenues						
058-362030	Miscellaneous Revenues	5,893	0	1,382	2,000	2,000
058-362078	Solar Power Project	0	0	0	0	231,670
Miscellaneous Revenues Totals:		5,893	0	1,382	2,000	233,670
Lease Revenues						
058-363040	Lease Payments	578	0	7,712	23,160	23,160
058-363060	Grazing Leases	159,007	0	26,401	104,202	104,202
Lease Revenues Totals:		159,585	0	34,113	127,362	127,362
SCHERTZ-SEGUIN GOV'T CORP OPERATING FUND Totals:		9,692,496	9,143,827	4,717,328	9,852,101	10,127,878

2021-22 Budget-SSLGC Operating Expenditures

Account Number	Account Name	FY 2020 Actual	FY 2021 Budget	FY 2021 03/31/21	FY 2021 Estimates	FY2022 Budget
058 - SCHERTZ-SEGUIN GOV'T CORP OPERATING FUND						
55 - SSLGC						
11 - Salaries						
058-5500-110100	Regular Salaries	734,505	936,772	336,123	918,000	1,145,649
058-5500-112000	Overtime/On Call	55,812	80,000	32,440	78,400	90,035
058-5500-112100	Holiday Pay	12,842	15,125	9,024	15,125	18,000
11 - Salaries Totals:		803,159	1,031,897	377,586	1,011,525	1,253,684
12 - Benefits						
058-5500-121000	Payroll Taxes	59,077	77,779	27,882	76,223	86,525
058-5500-122000	Retirement	173,343	227,848	82,905	223,291	254,485
058-5500-123000	Health Insurance	97,276	148,370	50,782	145,402	162,234
058-5500-123100	Life Insurance	900	1,133	411	1,110	1,258
058-5500-124000	Workers' Compensation	7,626	8,500	3,671	8,500	10,113
12 - Benefits Totals:		338,223	463,630	165,652	454,526	514,615
32 - Professional Services						
058-5500-320500	Professional Services	84,260	126,500	47,600	126,500	322,000
058-5500-321000	Annual Audit	12,190	13,000	12,500	13,000	13,000
058-5500-321200	Consultant Services	102,085	141,000	45,994	141,000	120,000
058-5500-321500	Attorney Fees	27,279	50,000	10,332	40,000	50,000
058-5500-321600	Landfill Opposition	150	10,000	150	5,000	5,000
058-5500-323500	Solid Waste Contract	3,907	3,000	1,912	4,600	4,600
32 - Professional Services Totals:		229,872	343,500	118,489	330,100	514,600
34 - Technical Services						
058-5500-342100	Gonzales Underground Water Distric	95,917	100,000	39,672	100,000	100,000
058-5500-342200	City Distribution Fee	42,934	0	18,558	45,000	45,000
058-5500-342400	GCGCD Permit Fee	159,516	223,500	142,731	223,500	173,500
058-5500-342500	GCUWCD Mitigation Fund Pymt	61,852	75,000	65,953	65,953	69,500
058-5500-343000	Testing/Inspection Fees	14,205	22,400	9,592	22,000	20,000
34 - Technical Services Totals:		374,425	420,900	276,505	456,453	408,000
41 - Utilities Services						
058-5500-411000	Electric	1,612,262	2,501,685	750,723	2,501,685	2,100,000
058-5500-412000	Water	748	800	319	800	800
058-5500-413000	Sewer	774	800	360	800	800
058-5500-414000	Gas-Centerpoint	560	900	500	800	900
058-5500-415000	Telephone Service	184	0	0	0	0
058-5500-415200	Telephone-Mobile Phone	5,473	5,000	2,459	5,000	5,000
41 - Utilities Services Totals:		1,620,001	2,509,185	754,361	2,509,085	2,107,500
43 - Repair and Maintenance						
058-5500-431200	Office Maintenance-Computer	9,041	7,811	1,597	8,500	8,500
058-5500-432100	V&E Maint.-Motor Vehicles	12,769	14,000	7,299	14,000	14,000
058-5500-432200	V&E Maint.-Machine & Tool	17,324	20,000	4,408	20,000	20,000
058-5500-432300	V&E Maint.-Heavy Equipment	21,228	12,000	4,059	12,000	9,000
058-5500-432400	V&E Maint.-Communications	30,817	31,000	8,464	25,000	27,400
058-5500-432500	V&E Maint.-Pumps & Motors	252,668	250,000	51,193	250,000	150,000
058-5500-433000	Buildings Maintenance	20,774	30,000	3,920	30,000	30,000
058-5500-434601	L&I Maint.-WATER System	76,672	125,000	14,308	125,000	100,000
058-5500-436000	Property Maintenance	3,516	70,000	11,916	45,000	45,000
43 - Repair and Maintenance Totals:		444,809	559,811	107,163	529,500	403,900
44 - Rental						
058-5500-441000	Equipment Rental	3,166	7,000	1,819	5,000	7,000
058-5500-443500	Water Leases	2,630,257	2,630,000	1,134,350	2,630,000	0
058-5500-443501	Water Leases-Guadalupe County	0	0	43,009	0	516,200
058-5500-443502	Water Leases-Gonzales County	0	0	165,887	0	2,176,900
44 - Rental Totals:		2,633,422	2,637,000	1,345,065	2,635,000	2,700,100

		FY 2020 Actual	FY 2021 Budget	FY 2021 03/31/21	FY 2021 Estimates	FY2022 Budget
52 - Insurance						
058-5500-521000	Building/Auto Liability	122,086	125,689	125,689	125,689	140,000
058-5500-524000	Unemployment Insurance	4,201	2,000	1,726	2,000	2,000
52 - Insurance Totals:		126,287	127,689	127,415	127,689	142,000
54 - Advertising						
058-5500-541000	Publication of Notices	1,146	5,000	2,491	5,000	5,000
54 - Advertising Totals:		1,146	5,000	2,491	5,000	5,000
61 - General Supplies						
058-5500-611000	Office Supplies	5,329	6,000	3,772	6,000	6,000
058-5500-612000	Postage	1,319	1,200	544	1,200	1,200
058-5500-613000	Operating Supplies	8,485	6,000	1,059	6,000	6,000
058-5500-613300	Chemicals	553,339	500,000	182,821	500,000	500,000
058-5500-613500	Laboratory Supplies	8,066	18,400	5,178	18,400	18,400
058-5500-614300	Safety Supplies	4,399	4,000	2,184	4,000	4,000
058-5500-616000	Uniforms	5,453	7,000	3,786	7,000	7,000
058-5500-618000	Minor Tools and Equipment	4,551	5,000	869	5,000	5,000
61 - General Supplies Totals:		590,940	547,600	200,212	547,600	547,600
62 - Energy and Fuel						
058-5500-621000	Gasoline	12,419	15,000	5,110	15,000	15,000
62 - Energy and Fuel Totals:		12,419	15,000	5,110	15,000	15,000
65 - Miscellaneous						
058-5500-655100	Employee Recognition	0	2,000	0	2,000	2,000
058-5500-655200	Recruitment	0	10,000	2,027	3,500	0
65 - Miscellaneous Totals:		0	12,000	2,027	5,500	2,000
66 - Education						
058-5500-661000	Seminar Tuition	9,949	15,000	1,913	10,000	10,000
058-5500-662000	Certification Fees	1,290	2,000	478	2,000	2,000
058-5500-665000	Travel and Lodging	2,096	9,000	57	2,000	7,500
058-5500-665500	Meals	326	1,200	230	1,000	1,200
058-5500-666000	Dues	726	2,900	0	2,900	2,900
058-5500-667000	Subscriptions	171	200	371	200	200
66 - Education Totals:		14,558	30,300	3,048	18,100	23,800
67 - Public Relations						
058-5500-671000	Public Relations	763	5,000	1,830	4,000	4,000
67 - Public Relations Totals:		763	5,000	1,830	4,000	4,000
70 - Capital Outlay						
058-5500-704200	Transmission Lines	0	0	0	0	25,000
058-5500-706100	Mach. & Equip.-Office	10,104	7,000	0	7,000	7,000
058-5500-706200	Mach. & Equip.-Heavy Equipment	471	0	89	0	0
058-5500-706500	Machine & Equipment-Small Equipm	0	30,000	27,817	30,000	0
058-5500-706600	Machine & Equipment-Pumps & Mo	0	0	0	0	100,000
058-5500-707100	Transportation-Vehicles	0	50,000	0	50,000	45,000
70 - Capital Outlay Totals:		10,575	87,000	27,906	87,000	177,000
82 - Intragvrnmntl. Transfers						
058-5500-826100	Repair & Replacement Fund	600,000	1,600,000	300,000	1,600,000	600,000
058-5500-826200	Future Development Fund	375,000	250,000	125,000	250,000	250,000
82 - Intragvrnmntl. Transfers Totals:		975,000	1,850,000	425,000	1,850,000	850,000
96 - Use of Retained Earnings						
058-9800-960000	Use of Retained Earnings	0	(1,501,685)	0	(1,501,685)	0
96 - Use of Retained Earnings Totals:		0	(1,501,685)	0	(1,501,685)	0
98 - Depreciation						
058-5500-984500	Depreciation / SSLGC	11,225	0	0	0	0
98 - Depreciation Totals:		11,225	0	0	0	0
SCHERTZ-SEGUIN GOV'T CORP OPERATING FUND Totals:		8,186,824	9,143,827	3,939,860	9,084,393	9,668,799

**SSLGC
2021/22 ANNUAL BUDGET**

**SSLGC CONSTRUCTION FUND - 059
SCHERTZ/SEGUIN LOCAL GOVT. CORP.**

The SSLGC Construction Fund accounts for all the proceeds from the TWDB SWIRFT Revenue Bonds as well as the expenditures for the Guadalupe County Wellfield Project and the Parallel Pipeline Project.

**2021-22 Budget-SSLGC Construction
Fund Revenues**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
059 - SCHERTZ/SEGUIN LGC-CONSTRUCTION FUND						
Revenue						
Interest Revenues						
059-361004	Texas CLASS Interest Earnings	33,894	0	1,142	1,700	2,500
059-361020	Restricted Cash	500,989	0	3,090	5,500	1,000
Interest Revenues Totals		534,883	0	4,232	7,200	3,500
<hr/>						
SSLGC-CONSTRUCTION FUND TOTALS		534,883	0	4,232	7,200	3,500

2021-22 Budget - SSLGC Construction Fund Expenditures

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
059 - SCHERTZ/SEGUIN LGC-CONSTRUCTION FUND						
90 - Non Departmental						
70 - Capital Outlay						
059-9000-703000	Impr. Other Than Building	(149,400)	0	1,354,393	13,479,203	36,109,151
70 - Capital Outlay Totals:		(149,400)	0	1,354,393	13,479,203	36,109,151
98 - Use of Fund Balance/Retained Earnings						
96 - Use of Retained Earnings						
059-9800-960000	Use of Retained Earnings	0	0	0	(13,472,003)	(36,105,651)
96 - Use of Retained Earnings Totals:		0	0	0	(13,472,003)	(36,105,651)
SCHERTZ/SEGUIN LGC-CONSTRUCTION FUND TOTALS		(149,400)	0	1,354,393	7,200	3,500

The SSLGC I&S Fund accounts for all water sale proceeds from the debt service rates charged along with the payment of principal and interest of corporation debt other than the SAWS Revenue Bonds.

**2021-22 Budget - SSLGC I&S
Revenues**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
060 - SCHERTZ/SEGUIN LGC-I&S						
Revenue						
Utility						
060-343007	Water Sales	7,405,419	0	4,839,131	7,450,495	7,450,460
Utility Totals:		7,405,419	0	4,839,131	7,450,495	7,450,460
Interest Revenues						
060-361002	Investment Pools Interest Earnings	2,515	0	14	20	0
060-361004	Texas CLASS Interest Earnings	14,146	0	858	1,500	1,200
Interest Revenues Totals:		16,660	0	872	1,520	1,200
SCHERTZ/SEGUIN LGC-I&S TOTALS		7,422,079	0	4,840,003	7,452,015	7,451,660

**2021-22 Budget - SSLGC I&S
Expenditures**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
060 - SCHERTZ/SEGUIN LGC-I&S						
92 - Debt Service						
90 - Principal Payments						
060-9200-908000	2014 Revenue Refunding	0	0	0	570,000	590,000
060-9200-908100	2015 Revenue Impr & Refunding	0	0	0	785,000	825,000
060-9200-908800	2016 Revenue Bds-SWIRFT Funding	0	0	0	1,250,000	1,260,000
060-9200-909200	2018 Revenue Refunding	0	0	0	540,000	565,000
90 - Principal Payments Totals:		0	0	0	3,145,000	3,240,000
91 - Interest Payments						
060-9200-915500	2001 Revenue Bonds	520,000	0	260,000	520,000	520,000
060-9200-918000	2014 Revenue Refunding	109,450	0	50,563	92,575	75,175
060-9200-918100	2015 Revenue Impr. & Refunding	1,669,175	0	828,775	1,641,850	1,609,650
060-9200-918800	2016 Revenue Bds-SWIRFT Funding	991,531	0	490,434	980,867	969,242
060-9200-919200	2018 Revenue Refunding	810,175	0	398,650	783,800	761,825
060-9200-919400	2016 SWIRFT-Board Participation	165,627	0	82,814	165,627	248,441
91 - Interest Payments Totals:		4,265,958	0	2,111,235	4,184,719	4,184,333
92 - Fiscal Agent Fees						
060-9200-920000	Fiscal Agent Fees	6,804	0	2,199	6,000	6,000
92 - Fiscal Agent Fees Totals:		6,804	0	2,199	6,000	6,000
SCHERTZ/SEGUIN LGC-I&S TOTALS		4,272,762	0	2,113,433	7,335,719	7,430,333

**SSLGC
2021/22 ANNUAL BUDGET**

**SSLGC REPAIR AND REPLACEMENT FUND - 061
SCHERTZ/SEGUIN LOCAL GOVT. CORP.**

The SSLGC Repair and Replacement Fund is utilized for the repair and replacement of SSLGC's water system infrastructure. Funds are transferred annually to this fund from O&M water rate revenues and retained earnings.

2021-22 Budget-Repair/Replacment Fund Revenues

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
061 - SSLGC-REPAIR/REPLACEMENT FUND						
Revenue						
Interest Revenues						
061-361002	Investment Pools Interest Earnings	17,093	0	1,011	1,200	1,000
061-361004	Texas CLASS Interest Earnings	68,192	0	3,142	5,250	5,000
061-361020	Restricted Cash	73	0	4	(50)	(50)
Interest Revenues Totals		85,358	0	4,157	6,400	5,950
Intragovernmental Transfers						
061-391063	Transfers from SSLGC Operating Dep	600,000	1,600,000	300,000	1,600,000	600,000
Intragovernmental Transfers Totals		600,000	1,600,000	300,000	1,600,000	600,000
SSLGC-REPAIR/REPLACEMENT FUND TOTALS		685,358	1,600,000	304,157	1,606,400	605,950

**2021-22 Budget-
Repair/Replacement Fund
Expenditures**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020 Actual</u>	<u>FY 2021 Budget</u>	<u>FY 2021 03/31/21</u>	<u>FY 2021 Estimates</u>	<u>FY2022 Budget</u>
061 - SSLGC-REPAIR/REPLACEMENT FUND						
90 - Non Departmental						
43 - Repair and Maintenance						
061-9000-434600	L&I Maint.-Dist. System	121,479	0	21,841	240,773	400,000
43 - Repair and Maintenance Totals:		121,479	0	21,841	240,773	400,000
70 - Capital Outlay						
061-9000-703000	Improvements Other Than Buildings	198,167	0	300,814	1,022,705	2,241,584
70 - Capital Outlay Totals:		198,167	0	300,814	1,022,705	2,241,584
96 - Use of Retained Earnings						
058-9800-960000	Use of Retained Earnings	0	0	0	0	(2,035,634)
96 - Use of Retained Earnings Totals:		0	0	0	0	(2,035,634)
SSLGC-REPAIR/REPLACEMENT FUND TOTALS		319,645	0	322,655	1,263,478	605,950

**SSLGC
2021/22 ANNUAL BUDGET**

**SSLGC FUTURE DEVELOPMENT FUND - 062
SCHERTZ/SEGUIN LOCAL GOVT. CORP.**

The SSLGC Future Development Fund was a fund created prior to SSLGC collecting Impact Fees. The Future Development Fund is now utilized for items contributing to the development and improvement of the SSLGC water system that do not qualify for Repair and Replacement Fund use or Impact Fee Fund use.

2021-22 Budget - SSLGC Future Development Fund Revenues

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
062 - SSLGC FUTURE DEVELOPMENT FUND						
Revenue						
Interest Revenues						
062-361002	Investment Pools Interest Earnings	7,246	0	38	45	50
062-361004	Texas CLASS Interest Earnings	31,623	0	1,603	2,800	2,500
062-361020	Restricted Cash	(6)	0	7	10	0
Interest Revenues Totals:		38,863	0	1,647	2,855	2,550
Miscellaneous Revenues						
062-362078	Solar Power Project	231,670	0	0	231,670	0
Miscellaneous Revenues Totals:		231,670	0	0	231,670	0
Intragovernmental Transfers						
062-391063	Transfers from SSLGC Operating Fund	375,000	0	125,000	250,000	250,000
Intragovernmental Transfers Totals:		375,000	0	125,000	250,000	250,000
062 - SSLGC FUTURE DEVELOPMENT FUND TOTALS		645,532	0	126,647	484,525	252,550

2021-22 Budget-SSLGC Future Development Fund Expenditures

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
		<u>Actual</u>	<u>Budget</u>	<u>03/31/21</u>	<u>Estimates</u>	<u>Budget</u>
062 - SSLGC FUTURE DEVELOPMENT FUND						
90 - Non Departmental						
32 - Professional Services						
062-9000-320500	Professional Services	59,807	0	40,385	365,011	386,000
32 - Professional Services Totals:		59,807	0	40,385	365,011	386,000
70 - Capital Outlay						
062-9000-701000	Land	(500)	0	0	0	0
062-9000-702000	Buildings	700,010	0	(182,599)	(182,599)	0
062-9000-703000	Improvements Other Than Building	(682,364)	0	126,530	231,446	0
70 - Capital Outlay Totals:		17,146	0	(56,069)	48,847	0
96 - Use of Retained Earnings						
058-9800-960000	Use of Retained Earnings	0	0	0	0	(133,450)
96 - Use of Retained Earnings Totals:		0	0	0	0	(133,450)
SSLGC FUTURE DEVELOPMENT FUND TOTALS		76,953	-	(15,684)	413,858	252,550

The SSLGC Impact Fee fund is utilized to help pay for the expansion and additional capacity required of water supply, treatment facilities, pump stations and storage tanks. Impact fees are collected through a one-time charge imposed on new development in the City of Schertz and the City of Seguin to help recover capital costs associated with SSLGC providing the infrastructure and other required improvements to provide service to that new development. Land use assumptions and capital improvements to be included in the impact fee calculations are updated and reviewed every five years with the last update being in 2018.

**2021-22 Budget-SSLGC Impact Fee
Fund Revenues**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020 Actual</u>	<u>FY 2021 Budget</u>	<u>FY 2021 03/31/21</u>	<u>FY 2021 Estimates</u>	<u>FY2022 Budget</u>
065 - SSLGC IMPACT FUND						
Revenue						
Utility						
065-343013	Water Impact Fee	683,719	0	360,792	700,000	600,000
Utility Totals:		683,719	0	360,792	700,000	600,000
Interest Revenues						
065-361002	Investment Pools Interest Earnings	19,823	0	1,078	1,100	1,000
065-361004	Texas CLASS Interest Earnings	52,827	0	2,413	4,200	4,000
065-361020	Restricted Cash	(109)	0	32	0	0
Interest Revenues Totals:		72,541	0	3,523	5,300	5,000
SSLGC IMPACT FUND TOTALS		756,260	0	364,315	705,300	605,000

2021-22 Budget-SSLGC Impact Fee Fund Expenditures

Account Number	Account Name	FY 2020 Actual	FY 2021 Budget	FY 2021 03/31/21	FY 2021 Estimates	FY2022 Budget
065 - SSLGC IMPACT FUND						
90 - Non Departmental						
70 - Capital Outlay						
065-9000-703000	Impr. Other Than Building	1,313,405	0	193,015	1,600,163	2,150,000
70 - Capital Outlay Totals:		1,313,405	0	193,015	1,600,163	2,150,000
96 - Use of Retained Earnings						
058-9800-960000	Use of Retained Earnings	0	0	0	(894,863)	(1,545,000)
96 - Use of Retained Earnings Totals:		0	0	0	(894,863)	(1,545,000)
SSLGC IMPACT FUND TOTALS		1,313,405	0	193,015	705,300	605,000

The SSLGC Reserve Fund was established to maintain according to bond covenants. The covenants require a balance of the annual average debt service payment of the earlier bonds issued.

**2021-22 Budget-SSLGC Reserve
Fund Revenues**

Account Number	Account Name	FY 2020 Actual	FY 2021 Budget	FY 2021 03/31/21	FY 2021 Estimates	FY2022 Budget
066 - SSLGC RESERVE FUND						
Revenue						
Interest Revenues						
066-361002	Investment Pools Interest Earnings	11,890	0	277	300	250
066-361004	Texas CLASS Interest Earnings	867	0	500	850	800
066-361020	Restricted Cash	0	0	0	0	0
Interest Revenues Totals:		12,757	0	777	1,150	1,050
066 - SSLGC RESERVE FUND TOTALS		12,757	0	777	1,150	1,050

The SAWS I&S Fund accounts for contributions from San Antonio Water Systems toward the payment of principal and interest of the SSLGC Contract Revenue Refunding Bonds, Series 2019.

2021-22 Budget-SAWS I&S Fund Revenues

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u> <u>Actual</u>	<u>FY 2021</u> <u>Budget</u>	<u>FY 2021</u> <u>03/31/21</u>	<u>FY 2021</u> <u>Estimates</u>	<u>FY2022</u> <u>Budget</u>
069 - SSLGC I&S - SAWS						
Revenue						
Interlocal Agreement						
069-331690	Interlocal Agreement / San Antonio	1,510,187	0	605,117	1,512,787	1,390,974
Interlocal Agreement Totals:		1,510,187	0	605,117	1,512,787	1,390,974
Interest Revenues						
069-361004	Texas CLASS Interest Earnings	5,560	0	406	580	500
069-361020	Restricted Cash	(234)	0	(20)	(40)	(40)
Interest Revenues Totals:		5,326	0	386	540	460
SSLGC I&S - SAWS Totals		1,515,513	0	605,503	1,513,327	1,391,434

**2021-22 Budget SAWS I&S Fund
Expenditures**

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020 Actual</u>	<u>FY 2021 Budget</u>	<u>FY 2021 03/31/21</u>	<u>FY 2021 Estimates</u>	<u>FY2022 Budget</u>
069 - SSLGC I&S - SAWS						
92 - Debt Service						
90 - Principal Payments						
069-9200-909500	2019 SSLGC Refunding Bonds-SAWS	0	0	0	635,000	655,000
90 - Principal Payments Totals:		0	0	0	635,000	655,000
91 - Interest Payments						
069-9200-917700	SSLGC 2012 Rev Bds-SAWS	13,400	0	0	0	0
069-9200-919500	2019 SSLGC Refunding Bonds-SAWS	895,114	0	384,338	755,975	733,450
91 - Interest Payments Totals:		908,514	0	384,338	755,975	733,450
92 - Fiscal Agent Fees						
069-9200-920000	Fiscal Agent Fees	0	0	415	1,000	1,000
92 - Fiscal Agent Fees Totals:		0	0	415	1,000	1,000
SSLGC I&S - SAWS Totals:		908,514	0	384,753	1,391,975	1,389,450

The SSLGC Rate Stabilization Fund was created in 2017 by the SSLGC Board of Directors to be used in order to prepare for volatile periods which can greatly impact the rates of SSLGC water customers are charged and can be used to avoid passing along pricing peaks to these customers. These funds can only be used based upon staff recommendation and Board of Directors approval. The fund balance for the rate stabilization fund will be evaluated annually and any adjustments due to anticipated needs may be made by the Board of Directors.

2021-22 Budget-SSLGC Rate Stabilization Fund Reveues

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY 2021</u>	<u>FY2022</u>
057 - SSLGC Rate Stabilization Fund		Actual	Budget	03/31/21	Estimates	Budget
Revenue						
Interest Revenues						
057-361004	Texas CLASS Interest Earnings	18,680	0	1,038	1,700	1,500
057-361020	Restricted Cash	(40)	0	(0)	0	0
Interest Revenues Totals:		18,640	0	1,038	1,700	1,500
SSLGC Rate Stabilization Fund Totals:		18,640	0	1,038	1,700	1,500

2021-22 Budget-SSLGC Rate Stabilization Fund Expenditures

<u>Account Number</u>	<u>Account Name</u>	<u>FY 2020</u> <u>Actual</u>	<u>FY 2021</u> <u>Budget</u>	<u>FY 2021</u> <u>03/31/21</u>	<u>FY 2021</u> <u>Estimates</u>	<u>FY2022</u> <u>Budget</u>
057 - SSLGC Rate Stabilization Fund						
90 - Non Departmental						
81 - Contributions						
057-9000-818000	Winter Weather Relief Credit	0	0	36,025	36,025	0
81 - Contributions Totals:		0	0	36,025	36,025	0
98 - Use of Fund Balance/Retained Earnings						
96 - Use of Retained Earnings						
057-9800-960000	Use of Retained Earnings	0	0	0	(34,325)	0
96 - Use of Retained Earnings Totals		0	0	0	(34,325)	0
SSLGC Rate Stabilization Fund Totals:		0	0	36,025	1,700	0

FY2022-2026 SSLGC FUND
CAPITAL IMPROVEMENT PROJECTS/EQUIPMENT

	FY	Project	Projected Cost	Approved Funding	Funding Source
	2022				
1		Well 6 Lowering	\$476,400	\$476,400	RR
2		Well 6 SCADA Replacement	\$36,000	\$36,000	RR
3		Pressure Filters 7-9 Painting	\$518,400	\$518,400	RR
4		Pressure Filters 7-9 Valve Replacement	\$217,920	\$217,920	RR
5		Springs Hill Hwy 123 New Connection	\$250,000	\$250,000	IF
6		Replacement of Staff Computers	\$7,000	\$7,000	FY22
7		Water Transmission Lines	\$25,000	\$25,000	FY22
8		Pumps and Motors	\$100,000	\$100,000	FY22
9		Emergency Generators	\$2,000,000	\$2,000,000	Bonds
10		42" & 30" Parallel Pipeline Project (Engineering & Easement Acquisition)	\$3,456,000	\$3,456,000	Bonds
11		Emergency Connection Project	\$2,000,000	\$2,000,000	IF
12		New truck to replace Ford Explorer	\$45,000	\$45,000	FY22
		TOTAL	\$9,131,720	\$9,131,720	
	2023				
1		Road Seal Coat	\$76,800	\$76,800	RR
2		Well 8 Lowering	\$490,692	\$490,692	RR
3		Well 8 SCADA Replacement	\$37,080	\$37,080	RR
4		Pressure Filters 1-3 Painting	\$533,952	\$533,952	RR
5		Pressure Filters 1-3 Valve Replacement	\$224,458	\$224,458	RR
6		Water Transmission Lines	\$25,000	\$25,000	FY23
7		Pumps and Motors	\$100,000	\$100,000	FY23
8		Emergency Generators	\$2,000,000	\$2,000,000	Bonds
9		42" & 30" Parallel Pipeline Project (Engineering & Easement Acquisition)	\$3,456,000	\$3,456,000	Bonds
		TOTAL	\$6,943,982	\$6,943,982	
	2024				
1		Well 1 Lowering	\$505,412	\$505,412	RR
2		Well 1 SCADA Replacement	\$38,192	\$38,192	RR
3		Pressure Filter 6 Painting	\$183,324	\$183,324	RR
4		Pressure Filters 4-6 Valves	\$231,191	\$231,191	RR
5		Water Transmission Lines	\$25,000	\$25,000	FY24
6		Pumps and Motors	\$100,000	\$100,000	FY24
7		Emergency Generators	\$2,000,000	\$2,000,000	Bonds
8		42" & 30" Parallel Pipeline Project (Engineering & Easement Acquisition)	\$3,588,000	\$3,588,000	Bonds
		TOTAL	\$6,671,120	\$6,671,120	
	2025				
1		Well 5 Lowering	\$520,576	\$520,576	RR
2		Well 5 SCADA Replacement	\$39,338	\$39,338	RR
3		Pressure Filters 10-12 Painting	\$618,997	\$618,997	RR
4		Pressure Filters 10-12 Valves	\$238,127	\$238,127	RR
5		Water Transmission Lines	\$25,000	\$25,000	FY25
6		Pumps and Motors	\$100,000	\$100,000	FY25
7		Emergency Generators	\$2,000,000	\$2,000,000	Bonds
8		42" & 30" Parallel Pipeline Project (Construction)	\$29,750,000	\$29,750,000	Bonds
		TOTAL	\$33,292,038	\$33,292,038	

FY2022-2026 SSLGC FUND
CAPITAL IMPROVEMENT PROJECTS/EQUIPMENT

	FY	Project	Projected Cost	Approved Funding	Funding Source
	2026				
1		Well 7 Lowering	\$536,192	\$536,192	RR
2		Well 7 SCADA Replacement	\$40,518	\$40,518	RR
3		Water Transmission Lines	\$25,000	\$25,000	FY26
4		Pumps and Motors	\$100,000	\$100,000	FY26
5		Pressure Tank Painting BPS	\$87,790	\$87,790	RR
6		WTP Clearwell 1 Painting	\$326,848	\$326,848	RR
7		BPS Tank 2 Painting	\$515,933	\$515,933	RR
8		Emergency Generators	\$2,000,000	\$2,000,000	Bonds
9		42" & 30" Parallel Pipeline Project (Construction)	\$29,750,000	\$29,750,000	Bonds
		TOTAL	\$33,382,280	\$33,382,280	
2022-2026 Grand Total			\$89,421,140	\$89,421,140	

SSLGC = Schetz/Seguin Local Government Corporation

Bonds - New Utility Revenue Bond Issue

FY22 - Current Year Funding

IF - Water Impact Fund

RR- Repair & Replacement Fund