

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
OPERATING BUDGET PLANNING REPORT
FISCAL YEAR 2016**

	PROJECTED TOTAL 2015	ORIGINAL BUDGET 2015	PROPOSED BUDGET 2016
REVENUES			
Cost of Water	\$ 56,540,019	\$ 50,835,969	\$ 60,059,290
Interest Earned	\$ 874,953	\$ 500,000	\$ 500,000
TOTAL REVENUES	\$ 57,414,972	\$ 51,335,969	\$ 60,559,290
EXPENSES			
DEBT SERVICE EXPENSE & RESERVES	\$ 36,845,339	\$ 36,845,339	\$ 37,035,389
O&M EXPENSES:			
OPERATIONS & MAINTENANCE	\$ 18,610,693	\$ 21,215,400	\$ 22,491,800
TOTAL O&M	\$ 18,610,693	\$ 21,215,400	\$ 22,491,800
ADMINISTRATIVE EXPENSES:			
FINANCIAL SERVICES	\$ 48,250	\$ 50,000	\$ 50,000
ENGINEERING SERVICES	\$ -	\$ 45,000	\$ 45,000
LEGAL SERVICES	\$ 353,225	\$ 250,500	\$ 300,100
LEGISLATIVE CONSULTANT	\$ 130,500	\$ 131,500	\$ 131,500
COMMUNICATION SERVICES	\$ 309,715	\$ 317,050	\$ 464,850
MANAGEMENT SERVICES	\$ 1,561,898	\$ 2,153,275	\$ 2,520,304
MISCELLANEOUS SERVICES	\$ 43,456	\$ 265,000	\$ 515,000
CAPITAL OUTLAY	\$ 19,800	\$ 45,000	\$ 45,000
TOTAL ADMINISTRATIVE	\$ 2,466,843	\$ 3,257,325	\$ 4,071,754
TOTAL EXPENSES	\$ 57,922,875	\$ 61,318,064	\$ 63,598,943
NET REVENUES OVER (UNDER) EXPENSES	\$ (507,903)	\$ (9,982,095)	\$ (3,039,653)
BEGINNING FUND BALANCE	\$ 128,870,554	\$ 115,012,418	\$ 128,362,651
BUDGETED ENDING FUND BALANCE	\$ 128,362,651	\$ 105,030,323	\$ 125,322,999

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY REVENUE SUMMARY					
TCEQ CODE NUMBER	ACCOUNT NUMBER	REVENUE ACCOUNT	PROJECTED TOTAL 2015	ORIGINAL BUDGET 2015	ESTIMATED 2016
4000	-0010	Cost of Water Revenue	\$ 56,540,019	\$ 50,835,969	\$ 60,059,290
	-0040	Misc. Revenue	\$ -	\$ -	\$ -
5391	-0100	Interest Earned	\$ 874,953	\$ 500,000	\$ 500,000
4101	-0100	Water Sales - Interim	\$ -	\$ -	\$ -
		TOTAL	\$ 57,414,972	\$ 51,335,969	\$ 60,559,290

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY PUMPAGE FEE REVENUE ESTIMATES				
	ESTIMATED PUMPAGE VOLUMES	PUMPAGE FEE per 1000 gals.	DUE DATE	ESTIMATED REVENUE
Groundwater	16,213,300,000	2.00 and 2.40	Monthly	\$ 37,831,033
Surface Water	7,986,200,000	2.45 and 2.85	Monthly	\$ 22,228,257
TOTAL	24,199,500,000			\$ 60,059,290

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**DEBT SERVICE EXPENSE & RESERVES
ACCOUNT: 7362**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
7362	0100	P&I Expense	Series 2013 Bonds - P&I	\$ 8,045,219	\$ 8,045,219	\$ 8,050,219
			Series 2003 Capital Contributions - P&I	2,373,821	2,373,821	2,373,821
			Series 2013 Reserve Fund (fully funded in 2009)	-	-	-
			Series 2014 Bonds - P&I	5,709,536	5,709,536	5,552,750
			Series 2005 Capital Contributions - P&I	1,000,879	1,000,879	1,000,879
			Series 2014 Reserve Fund (fully funded in 2010)	-	-	-
			Series 2008 Bonds - P&I	17,072,219	17,072,219	17,073,094
			Series 2008 Capital Contributions	2,643,665	2,643,665	2,643,665
			Series 2008 Reserve Fund (fully funded with Bond proceeds)	-	-	-
			TWDB 2015 SWIRFT Bonds (funded with Capitalized Interest)	-	-	-
			Operation & Maintenance Reserve Fund (1/6 of annual O&M and Admin. Expenses - \$4,427,259 in 2016 - increase by \$340,961)	-	-	340,961
			Coverage Fund Requirement (25% of Maximum Annual Debt Service = \$8,715,000) (fully funded)	-	-	-
		TOTAL		\$ 36,845,339	\$ 36,845,339	\$ 37,035,389

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

2016

**OPERATION & MAINTENANCE
ACCOUNT: 7360**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
7360	0100	Water System O&M	Operation and Maintenance Costs (includes Operator, SCADA, electric, permit fees, and City of Houston surface water, etc.)	\$ 18,610,693	\$ 21,215,400	\$ 22,491,800
		Major System Repairs	Major system repairs not covered under normal Water System O&M (funded with Improvement Fund)	\$ -	\$ -	\$ -
		TOTAL		\$ 18,610,693	\$ 21,215,400	\$ 22,491,800

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST
 FISCAL YEAR 2016**

**FINANCIAL SERVICES
 ACCOUNT: 6359**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6359	0010	The GMS Group	Financial Advisor	\$ 20,000	\$ 20,000	\$ 20,000
	0020	RBC Public Fund Services	Investment Advisor - included in interest earnings	\$ -		
	0030	McGrath & Co.	Annual Audit & CPA services	\$ 28,250	\$ 30,000	\$ 30,000
		TOTAL		\$ 48,250	\$ 50,000	\$ 50,000

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**ENGINEERING SERVICES
ACCOUNT: 6322**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6322	0010	Capital Projects Engineering	Engineering, Acquisitions and ROW (included in CIP Budget)	\$ -	\$ -	\$ -
	0020	Engineering Services	Other non capital project related services including Study to quantify water conservation savings in Authority	\$ -	\$ 45,000	\$ 45,000
		TOTAL		\$ -	\$ 45,000	\$ 45,000

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**LEGAL SERVICES
ACCOUNT: 6320**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6320	10	General Counsel Services	Agendas, Meeting Minutes, Contracts, etc.	\$ 130,877	\$ 140,000	\$ 140,000
	20	Misc. Expenses	Postage, Copies, Deliveries, etc.	\$ 3,207	\$ 3,500	\$ 3,600
	30	Litigation Expenses				
	-01	General	Funds to pursue delinquent accounts & other	\$ -	\$ -	\$ -
	-02	Delinquent Accounts	legal issues as they arise	\$ -	\$ -	\$ -
	-03	Construction		\$ -	\$ -	\$ -
	40	Director Elections		\$ 535	\$ 3,000	\$ 35,000
	50	Open Records Responses		\$ 10,404	\$ 8,000	\$ 10,000
	60	Contract Negotiations		\$ 192,134	\$ 60,000	\$ 80,000
	70	Legislation	Assisting with Legislative language and review	\$ 10,194	\$ 12,000	\$ 3,500
	80	Creation Issues	Legislation related to NHCRWA	\$ -	\$ -	\$ -
	90	Regulations		\$ -	\$ -	\$ -
	100	Personnel Matters		\$ -	\$ 4,000	\$ 3,000
	110	Defense Costs		\$ -	\$ -	\$ -
	120	Easement/ROW Acquisition		\$ -	\$ -	\$ -
	130	Special Projects	Services related to special projects such as redistricting, rate case issues, briefs, etc.	\$ 5,874	\$ 20,000	\$ 25,000
		TOTAL		\$ 353,225	\$ 250,500	\$ 300,100

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST
 FISCAL YEAR 2016**

**LEGISLATIVE CONSULTANT
 ACCOUNT: 6400**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6400	0010-01	Steve Bresnen & Associates	Represent NHCRWA at Legislative sessions, monitor proposed legislation and committee meetings/activities.	\$ 130,000	\$ 130,000	\$ 130,000
	-02	Travel & Misc. Expenses	Reimbursement for travel & other expenses associated with client representation.	\$ 500	\$ 1,500	\$ 1,500
		TOTAL		\$ 130,500	\$ 131,500	\$ 131,500

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY DETAIL OF BUDGET REQUEST FISCAL YEAR 2016						
COMMUNICATION SERVICES ACCOUNT: 6510						
TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6510	0010	Communication Services				
	-01	Communications (Payne Communications)	Turnkey fee - includes supervision of Community Relations projects and programs; Water Conservation programs, ISD workshops, and other community forums; all writing and design functions; web site oversight and updates; meetings; newsletters, mailings, writing assignments, etc.	\$ 72,000	\$ 72,000	\$ 72,000
	-02	Internet/AV Website Management Services	Includes monthly and special meeting audio support Monthly hosting and updating three websites, periodic design revisions, archiving, special updates, expansions, new pages/sections; programming for interactive features; domain name renewals, social media management. Web Site Management Services, Co-location Agreement, SQL Server, Web Site Modifications	\$ 38,291	\$ 39,800	\$ 42,300
	-03	Professional Services (Audio/Visual, Contract)	Feature presentations (video and editing), audio/visual equipment upgrades, District meeting display, cd reproduction, handouts. NHCRWA history video update. Education Consulting Services (e.g., technical writer, consulting/ participation by local educator(s) to facilitate WATER IS LIFE and TEXAS WATER classroom programs and development of new curriculum units to support the material). Evapotranspiration (ET) Weather Station and Irrigation Technology Program	\$ 6,400	\$ 15,000	\$ 40,000
	-04	Printing	Resident Newsletter/brochures (2 issues 12 pg Waterlines-225,000 copies) COST OF WATER trifold, Water Conservation Brochures, flyers, inserts (Revise content, Redesign) Meeting Handouts; PowerPoint handouts; Administrative Printing (business cards, letterhead, envelopes, notepads, etc.)	\$ 100,000	\$ 103,500	\$ 168,800
	-05	Publications Postage	Postage for mailouts (Waterlines)	\$ 35,000	\$ 38,000	\$ 81,000
	-06	Water Conservation/Education	Water Conservation-related meetings, support materials, display/exhibit(s), public forums/workshops Mobile Teaching Labs (2) for Schools and Community Events Maintain and update exhibits; trailer maintenance/repair & transport. Sponsor water conservation education materials (Frontier Series, #1 and #2, Dime Novels, "Digging Up History" book) New Yard and Garden program (student and adult) Specialty products (water conservation themed promotional items) Sponsorships for Water Conservation organizations: Alliance for Water Efficiency, Texas Water Foundation, Save Water Texas Coalition (Radio/TV/Web/Social Media), H2O for Texas	\$ 58,024	\$ 48,750	\$ 60,750
		TOTAL		\$ 309,715	\$ 317,050	\$ 464,850

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**MANAGEMENT SERVICES
ACCOUNT: 6300**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6310	0010	Director Fees	5 @ \$7200/ea - social security	\$ 32,100	\$ 33,246	\$ 33,246
			SUB-TOTAL	\$ 32,100	\$ 33,246	\$ 33,246
	0020	Salaries, Wages & Benefits				
6311	-010	Salaries	All full time positions minus taxes	\$ 627,045	\$ 914,004	\$ 1,119,317
6311	-020	Overtime		\$ 2,500	\$ 2,500	\$ 2,500
6311	-030	Part Time	as necessary, summer intern position	\$ -	\$ 2,500	\$ 2,500
		Temp Services	temporary staff services for leaves	\$ -	\$ 2,500	\$ 2,500
6311	-040	Longevity	2 @ \$900, 2 @ 720, 1 @ 660, 1 @ 120, 1 @ 60	\$ 2,700	\$ 3,660	\$ 4,080
		Cost of Living Adjustment	0.0%		\$ -	\$ -
6314	-060	Taxes	Full time positions	\$ 225,000	\$ 304,668	\$ 373,106
6314	-070	Social Security/457/Medicare	7.65% of all positions & directors	\$ 66,629	\$ 93,228	\$ 116,924
6312	-080	Retirement	7% or 25% of all Positions (plus annual fees)	\$ 122,245	\$ 141,029	\$ 160,191
6313	-090	Group Insurance	All full time positions (maximum listed)	\$ 101,361	\$ 160,000	\$ 160,000
6315	-100	Worker's Compensation	All full time positions	\$ 5,000	\$ 5,000	\$ 5,000
6317	-110	Unemployment Compensation		\$ 561	\$ 3,000	\$ 3,000
			SUB-TOTAL	\$ 1,153,042	\$ 1,632,089	\$ 1,949,118

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**MANAGEMENT SERVICES
ACCOUNT: 6300**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6358	0030	Office Space				
	-010	Leases				
	-01	Office Lease	Annual lease	\$ 120,276	\$ 125,000	\$ 175,000
	-02	Misc. Building Rentals	Storage facility, Town Hall meetings	\$ -	\$ -	\$ -
6351	-020	Utilities		\$ 1,244	\$ 1,500	\$ 1,500
	-01	Telephone/Long Distance & Ans. Service	@ \$320/month	\$ 3,733	\$ 3,840	\$ 3,840
	-02	Cellular Telephone	@ \$400/month	\$ 4,010	\$ 4,800	\$ 4,800
	-03	T-1 Line/Internet & Phone Services	@ \$1000/month	\$ 11,544	\$ 12,000	\$ 12,000
	-04	Maintenance/Repairs	Unforeseen Repairs and Expenses	\$ 830	\$ 2,500	\$ 2,500
6340	-030	Office Supplies/Services	@ \$1000/month	\$ 10,471	\$ 12,000	\$ 12,000
6350	-040	Postage	@ \$200/month	\$ 1,321	\$ 2,400	\$ 2,400
6340	-050	Delivery Fees	@ \$300/month	\$ 2,965	\$ 3,600	\$ 3,600
6340	-060	Books/Periodicals		\$ 250	\$ 500	\$ 500
6340	-070	Software	Updates & New	\$ 14,200	\$ 25,000	\$ 25,000
			SUB-TOTAL	\$ 170,845	\$ 193,140	\$ 243,140
	0040	Services				
6353	-010	Insurance	See Schedule	\$ 81,080	\$ 136,000	\$ 136,000
6354	-030	Travel/Training	See Schedule	\$ 65,503	\$ 75,000	\$ 75,000
6370	-040	Memberships/Subscriptions	See Schedule	\$ 11,115	\$ 13,300	\$ 13,300
6357	-050	Equipment Leases	See Schedule	\$ 14,931	\$ 16,000	\$ 16,000
6340	-060	Computer Maint/Repairs	Scheduled service & assistance,			
	-10	Financial (MIP)	maint. & support agreements,	\$ 5,000	\$ 6,000	\$ 6,000
	-20	Technical	replacement parts	\$ 13,951	\$ 15,000	\$ 15,000
	-30	Administrative	Office equipment services	\$ 10,000	\$ 25,000	\$ 25,000
6340	-070	Records Management	Equipment & files inventory - includes safe deposit box & offsite data backup	\$ 3,716	\$ 7,500	\$ 7,500
6134	-080	Security	Office security system & monitoring	\$ 615	\$ 1,000	\$ 1,000
			SUB-TOTAL	\$ 205,912	\$ 294,800	\$ 294,800
			TOTAL	\$ 1,561,898	\$ 2,153,275	\$ 2,520,304

SCHEDULE 2016				
TCEQ CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6353	0040-010	Insurance		
	-01	Directors Liability	Annual Renewal effective 7/1/2016	\$ 15,000
	-02	Gen. Manager Bond & Public Employee	Annual Renewal effective 7/1/2016	\$ 800
	-03	Director Bond	Annual Renewal effective 7/1/2016	\$ 700
	-04	Property Insurance (Includ. Computer Equip & Elec Data Coverage)	Annual Renewal effective 7/1/2016	\$ 115,000
	-05	General Liability	Annual Renewal effective 7/1/2016	\$ 2,500
	-06	Auto	Annual Renewal effective 7/1/2016	\$ 2,000
			TOTAL	\$ 136,000

SCHEDULE 2016				
TCEQ CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6354	0040-030	Travel/Training		
	-01	Reimbursements, Travel & Other	Airfare, Hotels, Meals, etc.	\$ 25,000
	-02	TWCA Conference - Fall	Reg for 7 @ Annual Mtg	\$ 2,400
	-03	TWCA Conference - Spring	Reg for 7 @ Annual Mtg	\$ 2,800
	-04	TWCA Conference - Summer	Reg for 7 @ Annual Mtg	\$ 2,300
	-05	AWBD Conference - Winter	Reg for 7 @ Annual Mtg	\$ 2,000
	-06	AWBD Conference - Summer	Reg for 7 @ Annual Mtg	\$ 2,500
	-07	Investment Training	Reg for 2 @ \$250	\$ 500
	-08	Mileage Reimbursements	Including Mileage, Parking, Toll Road for Directors & Staff	\$ 12,000
	-09	Misc. Seminars/Training	Continuing education, computer training & misc seminars	\$ 5,000
	-10	Training Equipment	Equipment as needed	\$ 500
	-11	Car Allowance		\$ 20,000
			TOTAL	\$ 75,000

SCHEDULE 2016				
TCEQ CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6370	0040-040	Memberships/Subscriptions		
	-01	Membership		
		Texas Water Conservation Assoc.	Annual Renewal (with Legis. News Service)	\$ 1,800
		American Water Works Association	Annual Renewal	\$ 500
		Assoc. of Water Board Directors	Annual Renewal	\$ 600
		North Houston Association	Annual Renewal	\$ 1,250
		Tomball Chamber	Annual Renewal	\$ 200
		Houston Northwest Chamber	Annual Renewal	\$ 250
		Cy-Fair Chamber	Annual Renewal	\$ 250
		Greens Bayou Corridor Coalition	Annual Membership	\$ 1,000
		Wholesale Club Memberships	Discount Office Supply Stores	\$ 50
		Government Treasurers Organization	Annual Renewal	\$ 100
		Government Financial Officers Assoc	Annual Renewal	\$ 100
		Other - HESS, NSPE, TSPS, etc.	Annual Renewal	\$ 2,500
	-01	Sponsorships		\$ 2,500
			SUB-TOTAL	\$ 11,100

SCHEDULE 2016						
TCEQ CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET		
6340	-02	Subscriptions	Annual Renewals	\$ 1,000		
			SUB-TOTAL	\$ 1,000		
	-03	Professional Licenses	License renewals	\$ 1,200		
			SUB-TOTAL	\$ 1,200		
	TOTAL			\$ 13,300		
	0040-050	Equipment Leases	Copier/printer/fax	Annual, 3 yr Lease*	\$ 15,000	
			Postage meter	Annual, 3 yr Lease*	\$ 1,000	
			TOTAL			\$ 16,000
			* Includes machine maintenance, Lease payment, and copy overage			

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

MISCELLANEOUS SERVICES

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
6321-	20	Mapping expenses	HGAC Aerial Imagery	\$ 3,500	\$ 5,000	\$ 5,000
6325-	10	Election expenses	2016 Board of Directors Election	\$ 31,956	\$ -	\$ 250,000
		Redistricting expenses	Realign Voting District boundaries	\$ -	\$ -	\$ -
7395-		Misc. Expenses		\$ 8,000	\$ 10,000	\$ 10,000
		Budget Reserve		\$ -	\$ 250,000	\$ 250,000
		TOTAL		\$ 43,456	\$ 265,000	\$ 515,000

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2016

**CAPITAL OUTLAY
ACCOUNT: 7306**

TCEQ CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Projected Total 2015	Original Budget 2015	Budget 2016
7306	0010	Capital Outlay	Computer Equipment	\$ 8,000	\$ 10,000	\$ 10,000
	0020	Capital Outlay	Computer Software	\$ 6,500	\$ 25,000	\$ 25,000
	0030	Capital Outlay	Office Furniture	\$ 3,800	\$ 6,000	\$ 6,000
			Office Equipment	\$ 1,500	\$ 4,000	\$ 4,000
		TOTAL		\$ 19,800	\$ 45,000	\$ 45,000