

ENTERPRISE FUNDS SUMMARY 2015-2016

1



ENTERPRISE FUNDS

MISSION

2

Mission

Enterprise Funds are used for operations that are financed and operated in a manner similar to private business enterprises with the costs of providing goods or services being financed or recovered primarily through user charges.

- Water, Wastewater, Storm Water, Gas, Airport, Marina, Golf



PINNACLE ISSUES FOR FY 2016

3

Utilities:

1. Completing Construction of Mary Rhodes Pipeline Phase II
2. Implementing revised rate structure
3. Consent Decree for Sanitary Sewer Overflows and Wastewater Treatment Plants
4. Developing a long-term plan for Wastewater Treatment
5. Determine long-term funding stream for Storm Water Services
6. Increasing regulatory requirements
7. A lack of redundancy in natural gas supply
8. Increase percentage of Gas utility market share

Airport:

1. Nation-wide airline mergers / restructuring, capacity reduction which will change fares, routes and customer service (American Airline/U.S. Airways merger)
2. Airfare resulting in leakage to surrounding airports
3. Projected replacement of 50-seat jet fleet with 70 / 90 seat jets

Marina:

1. Continue to maintain and replace deteriorating docks, equipment and infrastructure
2. Replace boatyard building, built in 1969 with new structure

Golf:

1. Large Dollar Capital Improvements Needed
2. Lack of irrigation at Executive Course at Gabe Lozano



MAJOR ACCOMPLISHMENTS FOR FY 2015

4

Utilities:

1. Restructured the Utilities department
2. Mary Rhodes Phase II under construction
3. Minimized downstream flooding through pro-active management of the reservoir
4. Reduction in Sanitary Sewer Overflows (SSOs)
5. Revised Storm Water inlet maintenance program that utilizes inspections to prioritize cleaning
6. CNG public station approved June 2015
7. CNG program continues to be successful

Fiscal Year	2013	2014	2015
Consumption of (GGE)	133,600	259,090	>300,000

Airport:

1. Negotiation and execution of Airline Use and Lease Agreement Extension with American, Southwest and United Airlines
2. Execution of FBO's Lease Agreement (Signature, Atlantic) and Development of Capital Plan

Marina:

1. Received Federal Grant from Texas Parks & Wildlife for \$502,496 to replace R-Pier
2. Grant approved for \$104,000 from U.S. Fish and Wildlife for pump out on new slips
3. Began R-pier project to construct additional 118 state of the art floating boat slips

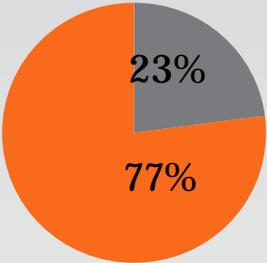
Golf:

1. Lozano improvements included bunker renovations and creation of 5th set of tees
2. Pro Shop upgrades and improvements at both sites



EMPLOYEES

	FY 2013-2014	FY2014-2015	FY2015-2016
Water	222.4	233.40	242.4
Waste Water	168	160	164
Storm Water	87	85	82
Gas	152	151	153
Airport	82	82	83
Marina	15	15	15
Golf Centers	0	0	0
Total	726.4	726.4	739.4



Total Enterprise

- Fund - 739.4
- City - 3,227



SAMPLE WATER BILLS

6

Usage	2015	2016	2017
Min	\$11.47	\$14.12	\$14.12
3,000	17.29	21.19	21.19
4,000	23.12	28.25	28.25
5,000	28.94	35.31	35.31
6,000	34.76	42.37	42.37
10,000	62.79	74.26	74.26
12,000	78.59	90.21	90.21
15,000	102.29	115.24	115.24
20,000	149.21	153.17	153.17
35,000	298.89	266.99	266.99
45,000	408.43	342.86	342.86

OTHER UTILITIES

7

- **Wastewater (3,000) gallons**

2015	2016	2017
\$34.98	\$38.86	\$38.86

- **Gas**

2015	2016	2017
\$17.14	\$17.46	\$17.46

REVENUE

8

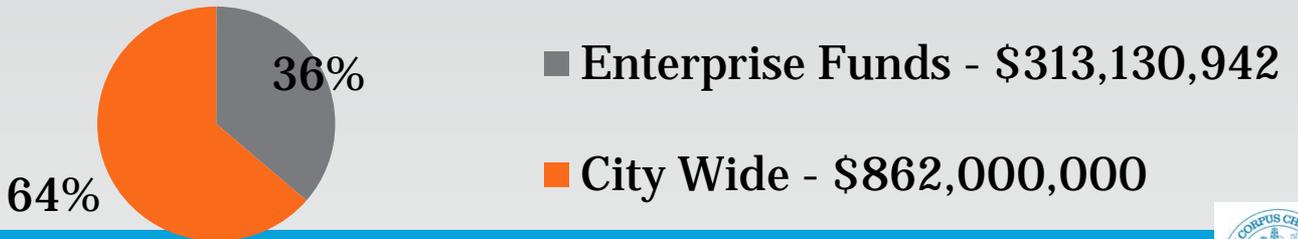
Source	Actual (14 Mo.) FY 2014	Estimated FY2015	Proposed FY 2016
Cost of Services - Water	96,292,969	79,786,272	105,809,987
Cost of Services - Wastewater	74,121,379	64,849,350	77,472,435
Raw Water	35,168,599	32,876,448	35,303,695
Transfers from other Funds	36,265,796	32,706,639	34,137,578
Purchased gas adjustment	22,345,865	15,568,376	21,948,395
Cost of Services - Gas	17,818,016	16,144,310	15,904,690
Airfield	12,378,979	10,838,023	11,209,675
Other Operating Income	8,046,693	8,657,036	8,053,951
Marina Services	2,136,184	1,950,428	2,098,720



REVENUE

Source	Actual (14 Mo.) FY 2014	Estimated FY2015	Proposed FY 2016
CONTINUED			
Interest Income	350,741	636,633	426,174
Contribution from Federal Gov	221,522	0	400,000
Golf Fees	161,510	263,374	270,000
Total	\$305,308,255	\$264,276,888	\$313,130,942

Enterprise



TOTAL EXPENDITURES

10

	Actual (14 Mo.) FY 2014	Estimated FY2015	Proposed FY 2016
	\$	\$	\$
Water Fund	\$130,727,396	\$129,463,997	\$142,193,570
Wastewater Fund	\$71,145,237	\$77,630,111	\$65,343,445
Gas Fund	\$41,917,492	\$33,180,863	\$39,952,200
Storm Water Fund	\$29,823,574	\$28,749,907	\$33,622,780
Airport Fund	\$9,239,716	\$7,981,502	\$8,369,873
Marina Fund	\$2,104,900	\$2,007,193	\$2,002,741
Airport Customer Facility Charge Fund	\$1,806,062	\$923,625	\$1,406,500



TOTAL EXPENDITURES

11

	Actual (14 Mo.) FY 2014	Estimated FY2015	Proposed FY 2016
CONTINUED	\$	\$	\$
Choke Canyon Fund	\$1,284,163	\$5,574,163	\$1,255,660
Airport PFC	\$1,355,726	\$1,218,787	\$1,133,609
Golf Capital Reserve Fund	\$189,136	\$97,106	\$125,000
Golf Center Fund	\$18,326	\$21,058	\$21,700
Raw Water Supply	\$1,070,341	\$10,394	\$1,162,408
Total	\$290,679,069	\$286,858,706	\$296,589,486



TOTAL EXPENDITURES

12

	Actual (14 Mo.) FY 2014		Estimated FY 2015		Proposed FY 2016	
	\$	%	\$	%	\$	%
Personnel	\$42,097,561	15%	\$38,041,255	14%	\$39,924,707	14%
Materials/Supplies	\$92,034,499	32%	\$89,887,799	31%	\$95,969,949	32%
Capital Outlay	\$6,802,204	2%	\$6,104,760	2%	\$4,615,484	2%
Debt Service	\$90,756,889	31%	\$83,417,250	29%	\$89,444,245	30%
Other	\$58,987,916	20%	\$69,407,642	24%	\$66,635,101	22%
Total	\$290,679,069	100%	\$286,858,706	100%	\$296,589,486	100%



SUMMARY OF FUND BALANCES

13

Fund	Estimated Beginning Fund Balance at 10/1/15	Net Budget	Projected Ending Fund Balance at 9/30/16	Total \$ (Target + Restricted)	Net
Water Fund	30,072,422	6,071,417	36,143,839	16,675,727	19,468,112
Wastewater Fund	22,622,867	12,815,282	35,438,149	10,914,928	24,523,221
Choke Canyon Fund	14,886,531	(1,212,110)	13,674,421	13,674,421	-
Raw Water Supply Development	9,230,861	798,310	10,029,171	10,029,171	-
Gas Fund	9,655,138	57,229	9,712,367	4,174,015	5,538,352
Storm Water Fund	11,039,209	(2,659,885)	8,379,324	4,511,621	3,867,703
Airport Fund	6,214,088	34,423	6,248,510	1,934,813	4,313,697
Airport PFC Fund	2,485,685	166,391	2,652,076	2,652,076	-



SUMMARY OF FUND BALANCES

14

Fund	Estimated Beginning Fund Balance at 10/1/15	Net Budget	Projected Ending Fund Balance at 9/30/16	Total \$ (Target + Restricted)	Net
CONTINUED					
Marina Fund	790,312	163,599	953,911	383,477	570,435
Airport CFC Fund	422,488	183,500	605,987	605,987	-
Golf Capital Reserve Fund	97,403	(5,000)	92,403	92,403	-
Golf Center Fund	(685,947)	128,300	(557,647)	(557,647)	-
Total	\$106,831,056	\$16,541,455	\$123,372,511	\$65,090,992	\$58,281,520



PROJECTED CHANGE IN FUND BALANCE

15

• Estimated Beginning Balance 10/1/15		<u>\$ 106,831,056</u>
• Projected Changes		<u>\$ 16,541,455</u>
• Total Projected Ending Balance 9/30/16		<u>\$ 123,372,511</u>
• Restricted	<u>\$ 65,090,992</u>	
• Unrestricted	<u>\$ 58,281,519</u>	



DECISION PACKAGES FOR FY 2016

16

Department	Title	Impact
RECOMMENDED		
Water	Valve replacement Wesley Seale Dam	\$200,000
Water	Aquifer Storage & Recovery	\$325,000
Water	Update CC Water Supply Model	\$100,000
Water	Align Interest & Banking Fees	\$209,500
Wastewater	Vacuum Service WWTP & Lift Stations	\$500,000
Wastewater	Addition of 4 FTE's at Oso WWTP (Converted Temps)	\$18,839
	TOTAL	\$1,353,339

QUESTIONS

