

San Jacinto River Authority



Conroe, Texas

5DDF CJ 98 OPERATING BUDGETS

FOR FISCAL YEAR ENDING AUGUST 31, 2014
AS ~~RECOMMENDED~~ BY THE BOARD OF DIRECTORS
On ~~SEPTEMBER~~ • ~~2013~~ 2013

San Jacinto River Authority
Operating Budgets
For Fiscal Year September 1, 2013 to August 31, 2014

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The Texas Water Code Section 49.057 (b) requires the Board of Directors of the San Jacinto River Authority (SJRA) to adopt an annual operating budget. This Fiscal Year Budget Report contains a summary of the approved operating and capital improvement budgets for Fiscal Year 2014 (FY2014) for the five operating Divisions within SJRA: Woodlands, Groundwater Reduction Plan (GRP), Highlands, Lake Conroe, and General and Administration Divisions. This Report also contains the separate budgets for services provided on a cost-neutral, contract basis related to the Bear Branch Reservoir System and the Region H Water Planning Group.

Each Division's Budget Notes section provides additional details of revenues and expenses for FY2014. Detailed schedules, worksheets, notes, and other documentation support the summary budget presented here and are included as elements of the approved budgets by reference.

The summary and detailed schedules within this report are presented using the cash basis of accounting.

General Elements:

Total Operating Revenues for all Divisions, including Bear Branch and Region H for FY2014 are projected to be \$89,045,594. Other Revenues totaling \$1,908,096 add to create total projected revenues of \$90,953,690. Total O&M and Interest Expenses for all Divisions, including Bear Branch and Region H, for FY2014 are projected to total \$71,236,666. Non-bond funded capital improvements for all Divisions total \$6,062,922. SJRA-wide debt service and loan principal payments total \$12,773,976. The remaining net balance will be used to fund capital reserves and operating reserves.

Key assumptions for budgeted wages, salaries and employee benefits are stated below:

- Salaries and wages were budgeted with a combined 3% allowance for promotions, market equalizations and performance based salary increases.
- Staff continues to develop a long term strategic plan to improve the overall health of SJRA employees and limit future health insurance costs to SJRA. The approved FY2014 budget includes an increase of 20% in group health insurance rates. Beginning with the health insurance renewal date effective October 1, 2013, the staff will begin to pay an increased portion of dependent premiums. Staff continues to look at other options to be considered in the strategic plan for future years including self-insurance, Medical Savings Accounts, reducing benefits, and/or increased contribution by employees for health insurance coverage.

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- Group retirement expenses were budgeted at a rate of 13.4% of payroll. This is the same conservative rate that SJRA used in the FY2013 budget.

Woodlands Division

The Woodlands Division provides wholesale water supply and wastewater treatment services to 12 municipal utility districts (MUDs) in southern Montgomery County, Texas. Eleven of the Woodlands MUD's comprise the Woodlands Joint Powers Agency (WJPA) which provides operations, maintenance, and administration services to its 11 MUDs. According to the terms of the contracts between the SJRA and the 11 MUDs within the WJPA and Montgomery County MUD 386, a majority of the members of the WJPA and MC MUD 386 must vote to approve any increase in water and/or wastewater treatment rates proposed by SJRA's Woodlands Division. There are three key elements to the Woodlands FY2014 budget, highlighted as follows:

- No increases to the wholesale water and wastewater rates are proposed for FY2014,
- No increase to the total Full Time Equivalent (FTE) number of employees, and
- No increase in Woodlands-related debt.

The proposed FY2014 wholesale water rate charged to the Woodlands MUDs is proposed to remain at \$1.74 per 1,000 gallons and results in water sale revenues of \$11,084,811. The proposed FY2014 wholesale wastewater charged to the Woodlands MUDs is proposed to remain at \$3.64 per 1,000 gallons and results in wastewater fee revenues of \$11,826,345. The proposed FY2014 GRP Pumpage Fee charged to the Woodlands MUDs is scheduled to increase from \$1.25 to \$1.75 per 1,000 gallons and results in revenues of \$11,148,517. The GRP Pumpage Fee revenue is based on direct payments by the MUDs as a direct pass-through to the GRP Division for participation in the SJRA joint GRP. The Woodlands Division however is projected to be billed on total metered groundwater produced and has budgeted GRP Pumpage Fee expenses of \$11,993,874. The 7% difference between projected GRP Pumpage Fee revenues and expenses reflects unmetered, unbilled system-wide water use associated with unaccounted for uses such as line flushing, fire department use, and system leaks. The difference between GRP Pumpage Fee revenues and expenses is incorporated into the wholesale water rate that Woodlands' MUDs pay to SJRA.

Budgeted Operations and Maintenance (O&M) expenses total \$29,490,402. Net revenues over expenses are projected to be \$4,609,272. Woodlands-related capital improvements totaling \$4,309,272 (not including excess revenues from FY2012 capacity charges a part of 5th Interim Accounting) and a \$300,000 contribution to the Woodlands Extraordinary Maintenance Fund will create a net zero result.

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Groundwater Reduction Plan Division

The Lone Star Groundwater Conservation District (LSGCD) issued its DRP Phase IIB proposed rules on August 20, 2009. These rules require large volume groundwater users in Montgomery County to reduce the amount of groundwater pumped by 30% by 2016 via a Groundwater Reduction Plan (GRP). During FY2010, the SJRA Board of Directors established the GRP Division as a separate operating division of the Authority. In 2011, SJRA received certification from LSGCD of its Groundwater Reduction Plan, which outlines the compliance strategy for the 86 LSGCD permittees who joined with SJRA as contracted co-participants in SJRA's GRP. The SJRA Woodlands Division is one of the 86 participating entities.

Following the recommendations outlined in the GRP Pumpage Rate Study, FY2014 will incorporate a new GRP rate of \$1.75 per 1,000 gallons for groundwater pumped effective September 1, 2013, and is expected to result in revenues totaling \$34,118,874. GRP Pumping Fee revenues from GRP participants other than the SJRA Woodlands Division are expected to total \$22,125,000 and revenues from the Woodlands Division are expected to total \$11,993,874.

Budgeted O&M expenses total \$25,157,492. Bond Interest is \$14,844. Net revenues over expenses are projected to be \$9,658,318. GRP-related capital improvements not funded from bonds total \$546,000. Bond principal payments total \$7,458,333, a \$360,060 contribution to GRP Debt Service Reserve Fund, and a \$30,000 payment from the General and Administrative Division for purchase of a mobile office building, will create a net cash increase of \$1,323,925 which will be used to fund future debt service payments in accordance with the GRP Division financing plan.

Bond funded capital expenses related to the GRP Program are not included within the FY2014 Operating Budget but are accounted for separately in the GRP Monthly Reports.

Raw Water Enterprise

Operating revenues of the Raw Water Enterprise are derived from raw water sales from SJRA's entire system, including supplies derived from the Highlands and Lake Conroe Divisions. Total overall expenses of the Raw Water Enterprise include O&M expenses from the Highlands and Lake Conroe Divisions. Included in this Budget is a SJRA Board approved 7.5% increase in the system-wide raw water rate. The raw water rate at the start of the FY2014 is \$0.3161 per 1,000 gallons (\$103.00 per acre foot) which increases to \$0.34 per 1,000 gallons (\$110.79 per acre foot) effective January 1, 2014.

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The FY2014 budget for industrial raw water sales for the Highlands Division is \$8,135,701 and \$597,919 for the Lake Conroe Division. Reservation fee revenues total \$920,493 and include a new industrial reservation fee in the Highlands of \$249,942. The total of all revenues attributed to the Raw Water Enterprise is \$10,164,024.

Total O&M expenses related solely to Raw Water Enterprises total \$737,063. Net revenues over expenses are projected to be \$9,426,961. Raw Water Enterprise related bond principal payments total \$1,149,167 and create a net cash increase of \$8,277,794. However, the net cash balances for the two Divisions associated with the Raw Water Enterprise, the Highlands Division and Lake Conroe Division, combine to a total of -\$8,325,926 (a loss).

Highlands Division

The Highlands Division is continuing to upgrade the raw water delivery system as part of a strategic capital improvements plan. This system is critical to SJRA's industrial, municipal and agricultural customers in the Highlands. As noted in the Highlands Facility Assessment completed in January 2009, key facilities within the delivery system are beyond their service life and are in need of repair and/or replacement. Late in FY 2010, the SJRA sold \$25,380,000 in water revenue bonds to finance eligible projects of the Highlands Improvements Program. Additional bond financing was obtained in FY2013 to fund \$6,000,000 for Siphon No. 6 which is not part of the 2010 Highlands Improvement Program. Debt service on the bonds is \$846,667 in the FY2014 budget.

The Highlands Division realizes no operating revenues and receives minimal revenues from other sources, totaling only \$19,200 from interest received on operational accounts and any unused proceeds from 2010 and 2013 Bond sales.

The SJRA recently executed a new, long-term water supply contract with a large industrial water customer that will require substantial improvements in the capacity of the Highlands East Canal. SJRA has also been notified by another large industrial water customer that their water demands will significantly increase in 2016. These additional demands will require improvements in the capacity of the Highlands South Canal. In response to these increased demands, SJRA has expedited an assessment of the entire system. The SJRA will utilize Capital Reserve Funds to pay for the Highlands system assessments and preliminary analysis. The Capital Reserve Funds will be reimbursed in subsequent years.

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Budgeted O&M expenses for the Highlands Division total \$4,801,575. Net revenues over expenses are projected to be -\$4,782,375 (a loss). Highlands related capital improvements not related to bonds total \$486,200 and bond principal payments total for FY2014 total \$846,667, creating a net cash use of -\$6,115,242 (a loss).

Lake Conroe Division

The Lake Conroe Division is separated into four departments – Operations and Maintenance, Water Quality, Licensing, and Invasive Species Management. The City of Houston participates with SJRA and funds 2/3 of the Operations and Maintenance Department budget for the Lake Conroe Division. The separate Departments were developed in an effort to monitor the expenses associated with each of these individual operations within the Division along with any revenues that may be generated from users and/or recipients of services associated with these operations. It is anticipated that over time the data generated from these separate departments will assist SJRA in verifying the appropriate fees that should be assessed to the users and/or recipients of services.

In FY2010, the Board of Directors approved residential and commercial fees for permits and licenses. No increase in Lake Conroe licenses, fees, and permits is proposed in the FY2014 Budget.

Budgeted operating revenues for FY2014 for all four Lake Conroe Division sources total \$5,404,968. Budgeted O&M expenses for FY2014 total \$7,452,902. Net revenues over expenses are projected to be -\$2,047,934 (a loss). Lake Conroe-related capital improvements total \$162,750, creating a net cash use of -\$2,210,684 (a loss).

The Lake Conroe Division has no outstanding bonds.

General and Administration Division

The General and Administration Division includes supporting staff to the Woodlands, Highlands, Lake Conroe, and GRP Divisions, encompassing services from senior level management and the following Departments: Accounting, Administrative Services, Human Resources, Information Technology, Public Relations, Purchasing, Risk Management, SCADA/Instrument and Controls, and Technical Services. G&A expenses are allocated to each Division. No operating revenues are generated by G&A, other than a small amount of interest income from operating accounts and office rental from the Lake Conroe Division, totaling \$57,100.

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Budgeted net G&A O&M expenses total \$323,578 after \$3,077,262 of expenses are allocated to the four Divisions, which leaves a net revenues over expenses of -\$266,478 (a loss). \$258,700 of capital assets are projected to be purchased in FY2014 for G&A. Payment of \$284,809 will be made in FY2014 for loan repayment on the G&A building, and the first of two \$30,000 payments (the 2nd payment will be in FY2015) will be transferred to the GRP Division for the purchase of mobile office space for G&A staff.

Bear Branch Reservoir System

The operations and administrative expenses for Bear Branch are funded by participating Woodlands Municipal Utility Districts (MUD) based on the number of lots within the drainage area compared to the total lots in The Woodlands for which storm water detention is provided by the Bear Branch system. The participating Woodlands MUDs make annual contributions to cover budgeted O&M expenditures and capital improvements.

For FY2014, Bear Branch total O&M expenses are projected to be \$320,625 and capital improvements for Dam Rehabilitation total \$300,000. Of the total O&M, the following expenses are highlighted: \$233,500 for Maintenance, Repairs, and Parts; \$25,685 for staff salaries, \$12,501 for employee benefits; and \$31,739 for G&A expenses incurred in support of the Bear Branch operations.

A small amount of interest income, \$360, is generated from the operating account balances. Capital contributions of \$400,000 are projected from the participating MUDs. It is expected that \$273,248 will be carried forward from current Bear Branch cash balances, leaving an estimated \$52,983 in reserves at FY2014 year-end, as required by the contracts between SJRA and the participating MUDs.

Region H Water Planning Group

The Region H Water Planning Group is one of 16 regional planning groups created by the Texas Legislature in 1997 with the adoption of Senate Bill 1. Region H's efforts are directed at creating a 50-year regional water plan for all or portions of 15 counties, including Montgomery County. The Region H Water Plan identifies projected water shortages by matching projected water demands with current water supplies. Water supply strategies are identified and evaluated to meet the projected water shortages. Once the Region H Water Plan is adopted, it is sent to the Texas Water Development Board (TWDB) to be incorporated into a comprehensive State Water

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Plan. The Region H Group includes 26 voting members and 10 non-voting members, who are all volunteers representing the many different water interests throughout the Region. Funding for Region H comes from State of Texas through a TWDB grant. At the inception of Region H, some local entities contributed funds into a Region H account to cover small, miscellaneous Region H related expenses, not covered by TWDB grant funds.

SJRA was asked by the Region H Group to serve as the administrative entity coordinating Region H consultant expenses with the funding from TWDB grants. For FY2014, the Region H Plan Consultant expenses are projected to be \$720,200. Miscellaneous expenses for travel, meetings, required postings, insurance premiums, and office rent, total to \$9,800. The corresponding TWDB Grant Revenues total \$730,000 for a net of zero. Any small expenses projected for FY2014 that are not paid from TWDB Grant funds will be funded from the Region H Local Contribution Account.

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Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
General Industrial Water Revenue	\$ 6,019,008	\$ 8,025,343	\$ 7,601,148	\$ 8,135,701
General Industrial Water Revenue-Lake Customers	-	-	568,689	597,919
Water Sales-Woodlands MUD's	7,146,807	10,947,954	11,085,289	11,084,811
Water Sales-Municipal	247,256	329,674	333,761	345,375
Water Sales - Commercial	19,319	25,758	81,942	-
Lawn Irrigation Fees	66,451	88,601	10,600	42,968
Water Sales-Reclaimed Groundwater	8,483	11,310	-	-
Water Sales-Irrigation	19,963	26,617	39,571	106,420
Wastewater Treatment Fees	6,800,699	10,856,129	12,369,018	11,826,345
Direct Reuse Water	22,500	30,000	40,000	40,000
Permits, Licenses, & Fees - Residential	439,854	586,472	518,700	600,000
Permits, Licenses & Fees - Commercial	288,235	384,313	426,000	419,000
Marine Sanitation Inspections	105	140	-	-
Invasive Species Management Revenue	-	-	5,000	8,000
SJRA Reservation Fee	621,033	621,033	618,552	670,551
Industrial Reservation Fee	-	-	-	249,942
Municipal Reservation Fee	-	-	-	15,148
GRP Pumping Fees	15,232,342	22,398,633	21,997,181	33,273,517
GRP Pumping Fees-Woodlands	5,386,535	7,182,047	8,064,888	11,993,874
Septic Tank Licenses	16,340	21,787	-	-
City of Houston Share of Lake Conroe Operations	1,001,217	1,334,956	1,688,465	4,377,968
Capacity Revenue	3,205,854	4,274,472	-	5,258,055
TOTAL OPERATING REVENUES	\$ 46,541,999	\$ 67,145,240	\$ 65,448,804	\$ 89,045,594
OTHER REVENUES				
Interest Income	\$ 60,517	\$ 80,690	\$ 735,993	\$ 28,116
Interest Income-Contingency Fund	11,604	15,472	-	-
Interest Income-Bond Funds	858,174	1,144,232	1,631,710	685,600
Interest Income- Region H - General Fund	162	216	166	-
Interest Income - TWDB Fund	29,690	39,587	130,544	13,280
Office Rental Revenue	38,333	51,110	51,110	51,100
Region H Grant Revenue	181,729	242,306	427,750	730,000
Capital Contributions	60,000	60,000	60,000	400,000
Proceeds From Sale Of Assets	21,729	28,972	-	-
Other Gains & Losses	7,971	10,628	-	-
TOTAL OTHER REVENUES	\$ 1,269,910	\$ 1,673,213	\$ 3,037,273	\$ 1,908,096
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 3,001,982	\$ 4,002,643	\$ 4,704,715	\$ 5,181,348
Salary & Wage Allocation	3,123,969	4,165,292	5,328,338	5,776,207
Staffing Services	47,462	63,283	148,000	165,800
Compensated Absences	-	-	48,934	22,854
TOTAL SALARIES & WAGES	\$ 6,173,413	\$ 8,231,217	\$ 10,229,988	\$ 11,146,210

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Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
PROFESSIONAL FEES				
Legal Fees	\$ 467,336	\$ 623,114	\$ 769,000	\$ 1,207,000
Disclosure Filing	1,800	2,400	2,420	2,400
Legal Fees-Enforcement	20,058	26,744	25,000	20,000
Annual Financial Audit	42,769	57,026	100,500	68,600
Arbitrage Rebate Audit	3,050	4,067	5,200	5,250
Management Audit	4,169	5,559	10,000	-
Paying Agent Fees	11,910	15,880	4,000	13,850
Accounting Studies	-	-	10,000	-
Engineering	704,473	1,123,014	1,298,960	2,323,413
Engineering Studies	338	451	2,100	8,000
Other Professional Services	150,000	200,000	172,000	30,000
Safety Inspections & Testing	2,948	3,931	11,825	5,700
Public Relations Consultant	-	-	-	52,000
Graphic Design	-	-	-	8,000
TOTAL PROFESSIONAL FEES	\$ 1,408,851	\$ 2,062,185	\$ 2,411,005	\$ 3,744,213
PURCHASED & CONTRACTED SERVICES				
Waste Disposal Services	\$ 5,155	\$ 6,874	\$ 15,750	\$ 21,642
USGS	65,286	87,048	172,692	199,192
Sludge Removal	293,443	391,257	379,862	376,435
Meter Calibration Services	445	593	9,950	10,150
Commercial Laboratory Fees	108,268	144,358	153,146	158,612
Other Services	220	293	6,050	6,000
State Fees	80,332	107,109	82,500	102,697
Groundwater District Fees	304,093	405,457	398,537	400,394
Patrolling & Security Services	176,040	234,720	293,330	348,250
Employee Testing- New	4,154	5,539	18,600	12,000
GRP Pumpage Fees	5,386,535	9,400,677	8,064,888	11,993,874
Janitorial Services	42,858	57,144	44,120	64,000
Safety Testing Program	-	-	5,000	5,000
Instrumentation Alert Services	-	-	-	9,825
Stream Gauging & Water	70,036	93,381	103,425	155,000
CWA Water Conveyance	84,657	112,876	144,900	144,900
Trucking	-	-	5,040	4,000
Water Quality Testing	50,685	67,580	127,710	140,250
Public Relations Expense	101,037	134,716	202,630	59,700
Major Rivers Program Expense	2,356	3,141	11,000	44,725
Website Hosting & Maintenance	18,007	24,009	32,300	30,300
Communication Services	-	-	22,000	21,996
Education Materails	-	-	6,000	2,000
Water Conservation & Public Education	-	-	45,000	45,000
GRP Fee Billing Services	998	1,330	-	-
Directors Fees & Expenses	16,518	22,024	24,000	24,000
Directors Meeting Expenses	6,877	9,169	15,700	17,700
Directors' Travel Expenses	1,628	2,170	4,000	4,000
Posting Notice Expenses	225	299	600	2,100
Document Imaging	-	-	20,000	7,000
Public Official Liability	4,511	6,015	4,360	4,400
TOTAL PURCHASED & CONTRACTED SERVICES	\$ 6,824,362	\$ 11,317,779	\$ 10,413,090	\$ 14,415,142

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Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
SUPPLIES, MATERIALS & UTILITIES				
Operating Supplies & Expenses	\$ 26	\$ 35	\$ -	\$ -
Office Supplies & Printing	73,181	97,575	111,275	210,500
Other Office Expense	27,930	37,240	84,236	22,100
Travel	38,838	51,784	104,408	138,100
Automobile & Truck Expense	87,753	117,005	144,261	160,180
Postage	6,507	8,677	26,369	22,502
Property Insurance	249,269	332,358	326,068	314,520
Auto Insurance	62,675	83,566	83,029	52,500
Liability Insurance	68,561	91,415	125,698	166,560
Small Tools Purchases	1,636	2,182	11,690	4,100
Training-External	88,116	117,488	204,172	230,081
Training-Internal	5,427	7,235	24,964	26,950
Training-Employee HR	20,618	27,491	24,000	26,000
Lime	-	-	600	600
Chlorine	85,781	114,375	128,443	134,330
Polymer	73,313	97,750	91,188	64,867
Sulfur Dioxide	23,854	31,805	29,748	29,750
Other Chemicals	34,674	46,232	51,660	51,900
Managers Expense	35,956	47,942	67,027	69,470
Employee Relations	23,613	31,484	54,596	36,200
Fuel	162,899	217,199	355,062	330,050
Safety & First Aid	12,823	17,097	33,050	25,880
Uniform Services	33,568	44,757	55,000	45,720
Maintenance Supplies	14,291	19,054	55,000	25,000
Supplies - Lab	4,064	5,418	5,400	7,500
Operations Supplies	44,632	59,510	84,850	73,250
Other Operating Expenses	21,364	28,485	49,450	41,500
Memberships & Professional Dues	27,758	37,010	44,835	59,060
Signage	50	66	7,723	4,850
Janitorial Supplies	4,745	6,326	8,140	10,600
Copier, Scanner & FAX	21,146	28,195	17,000	68,236
Delivery & Freight	4,724	6,299	5,000	9,805
Utilities-Electric	1,633,682	2,884,320	2,720,476	2,742,386
Utilities-Natural Gas	9,471	12,629	24,470	16,600
Utilities-Water	825	1,100	1,567	1,600
Chemicals	18,950	25,267	37,800	-
Laboratory Expenses	427	569	5,000	7,000
Pumping Costs-Direct	75,832	101,110	242,876	240,000
Pumping Costs-Indirect	10,839	14,452	24,000	18,000
Reservation Fees-City of Houston	1,289,846	1,289,846	1,324,911	2,188,984
Reservation Fees-SJRA	621,033	621,033	618,552	670,551
Additional Water Fees	-	-	300,000	300,000
Bank Service Charges	340	454	360	480
Bank Account Analysis Fee	3,170	4,227	4,582	4,800
Miscellaneous	78	104	-	-
Personal Protective Equipment	5,256	7,008	18,500	22,800
Safety Equipment & Mtgs	15,789	21,052	15,800	18,165
Health & Wellness Program	7,065	9,420	20,000	20,000
Recruiting Expenses	88,207	117,610	241,100	92,800

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Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Computer Hardware	129,159	172,212	262,579	239,500
Software & Support	171,048	256,936	451,650	592,650
Software Maintenance	-	-	-	90,300
Network Communications	14,228	18,970	29,400	41,100
Publications & Subscriptions	6,235	8,313	21,134	17,752
Local Telephone	130,171	173,562	57,800	178,850
Long Distance Telephone	19,092	25,457	4,700	5,910
Wireless Devices & Services	70,193	93,590	128,900	106,328
Phone System-Install, Maint & Changes	3,526	4,701	17,300	30,520
Emergency Ops Communications	759	1,012	1,800	1,800
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ 5,685,017	\$ 7,678,010	\$ 8,989,199	\$ 10,111,537
RENTALS				
Equipment Rentals	\$ 113,504	\$ 151,339	\$ 201,300	\$ 86,000
Office Rent	47,594	63,589	82,970	70,209
Office Equipment Rentals	13,905	18,540	49,900	4,200
Rent-U.S. Forest Lands-	12,523	16,697	17,000	17,000
Radio Tower Rental	-	-	-	7,500
TOTAL RENTALS	\$ 187,526	\$ 250,164	\$ 351,170	\$ 184,909
MAINTENANCE, REPAIRS & PARTS				
Office Furniture & Equipment	\$ 1,569	\$ 2,092	\$ 2,363	\$ 2,500
Instrumentation	3,005	4,006	13,860	58,000
Office,Furniture,Fixtures	11,206	14,942	10,004	18,600
Office Furniture-New Offices	19,379	25,838	47,096	37,600
Electrical-Buildings	-	-	1,004	3,500
Sidewalks & Driveways	3,805	5,073	5,000	10,000
Mowing	137,289	183,052	206,456	210,449
Buildings & Grounds Maintenance	103,178	137,570	181,185	169,000
Security System Monitoring	31,268	41,691	70,993	103,581
Wells	444,618	2,105,041	2,968,311	1,183,114
Tanks	36,528	48,705	214,196	894,150
Electrical	6,693	8,924	83,790	77,350
Generator	24,350	32,467	34,204	56,000
Pumps & Motors	96,983	129,311	185,046	132,500
Compressor	7	10	1,200	1,200
Aerators	817	1,090	12,492	7,500
Machinery,Tools,Implements	71,401	95,202	104,264	139,000
Boat Maintenance & Repairs	6,042	8,056	11,300	11,700
Belt Press	22,933	30,577	31,150	18,200
Clarifier	18,570	24,760	44,436	14,500
UV Equipment	14,867	19,823	20,000	10,000
Lines	762,623	1,016,830	144,496	421,989
Valves/Pipes	67,032	89,377	411,960	200,000
Drainage Structures	2,355	3,140	10,000	-
Other Maintenance	4,512	6,016	19,512	19,500
Laboratory Equipment	351	468	7,166	6,500
Instrumentation Equipment	30,515	40,687	84,604	3,500
Instrumentation Parts	5,461	7,282	3,600	182,098
Bridges,Culverts & Siphons	-	-	4,600	1,000

San Jacinto River Authority
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Dam Maintenance & Repairs	67,377	89,836	75,920	3,308,500
Clearing	18,304	24,405	65,000	117,500
Invasive Species Management	58,017	77,356	100,000	125,000
Chemicals	163	217	10,500	1,200
Channel Desilting / Desnagging	58,408	77,877	25,000	25,000
Service Road-Crushed Limestone	-	-	37,920	26,000
Ayer Island Maint & Repair	36	48	2,520	2,520
Security Repairs	4,980	6,640	22,800	19,800
Pump Station Maintenance & Repairs	8,436	11,248	36,150	36,000
Pump Station Equipment	7,156	9,542	25,200	1,000
Bad Debt Expense	(172,546)	(172,546)	-	-
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 1,977,688	\$ 4,206,649	\$ 5,335,298	\$ 7,655,552
EMPLOYEE BENEFITS				
Group Insurance	\$ 423	\$ 563	\$ -	\$ -
Group Insurance	1,164,502	1,552,670	1,874,085	2,191,791
Group Insurance - Retirees	36,590	48,787	51,408	53,172
Group Insurance - Retiree OPEB	-	-	-	97,000
Group Retirement Expense	760,057	1,013,410	1,344,892	1,472,671
Workers Compensation Insurance	124,636	166,181	138,846	192,060
Social Security Taxes	478,710	638,280	765,004	838,665
Tuition Reimbursement	4,914	6,552	30,000	20,000
Employee Benefits Allocation	(174,210)	(232,280)	-	-
TOTAL EMPLOYEE BENEFITS	\$ 2,395,621	\$ 3,194,161	\$ 4,204,235	\$ 4,865,359
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ 1,270,080	\$ 1,693,440	\$ 2,246,861	\$ 2,927,987
General & Administrative Expense Allocated to Lake C	(298,350)	(397,800)	(454,225)	(969,287)
General & Administrative Expense Allocated to Bear I	-	-	(28,736)	(31,739)
General & Administrative Expense Allocated to Highl	-	-	-	(436,507)
General & Administrative Expense Allocated to Wood	(404,630)	(539,507)	(625,488)	(639,891)
General & Administrative Expense Allocated to GRP I	(567,099)	(756,132)	(1,106,941)	(850,563)
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$ -	\$ -	\$ 31,471	\$ -
NON-OPERATING EXPENSES				
Interest Expense-Series 2000 Bonds	\$ 1,747,523	\$ 2,330,030	\$ -	\$ 2,212,618
Interest Expense-Series 2011 Bonds	2,888,763	3,851,684	3,850,724	3,754,201
Interest Expense-Series 2012 Bonds	4,795,184	6,393,579	5,240,174	5,923,642
Interest Expense-Series 2012A Bonds	3,850,641	5,134,188	7,287,866	3,443,020
Interest Expense-Loans	97,424	129,899	266,327	190,334
Interest Expense-Series 2013 Bonds	21,204	28,272	-	400,277
Interest Expense-Series 2010 Refunding Bonds	354,481	472,642	479,175	446,988
Interest Expense-Series 2013R Bonds	71,063	94,750	94,750	90,075
Interest Expense-Series 2011A Bonds	1,941,542	2,588,722	2,583,117	2,652,592
TOTAL NON-OPERATING EXPENSES	\$ 15,767,824	\$ 21,023,765	\$ 19,802,133	\$ 19,113,746
TOTAL EXPENSES	\$ 40,420,301	\$ 57,963,931	\$ 61,767,589	\$ 71,236,666
NET REVENUES OVER EXPENSES	\$ 7,391,608	\$ 10,854,521	\$ 6,718,488	\$ 19,717,024

San Jacinto River Authority
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
CAPITAL IMPROVEMENTS				
Property Acquisition	\$ (702)	\$ 4,449,853	\$ 9,596,745	\$ -
Capital Improvements	57,792,797	105,386,957	160,080,503	-
Building Improvements	(51,517)	14,732	-	-
Dam Rehabilitation	-	-	736,667	300,000
Water Treatment Plant & Facilities	-	-	820,365	211,080
Sewage Treatment Plant & Facilities	16,025	21,367	5,766,735	3,479,777
Maintenance Equipment	-	-	2,333	360,000
Transportation Equipment	132,853	177,137	177,000	289,667
Office Furniture	75	100	65,298	-
Software	26,979	35,972	453,289	998,000
Computer Equipment	43,696	58,262	285,333	304,232
Telephone System	4,690	6,253	10,000	-
Lab Equipment	-	-	2,000	5,167
Electronic Test Equipment	(20)	(26)	10,000	6,500
Water Rights	-	-	10,000	-
City of Houston's 2/3's portion of fixed assets	-	-	-	108,500
TOTAL CAPITAL IMPROVEMENTS	\$ 57,964,877	\$ 110,150,607	\$ 178,016,268	\$ 6,062,922
OTHER USES				
Bond Principal	\$ 3,723,248	\$ 4,610,998	\$ -	\$ 12,489,167
Loan Principal	245,433	327,244	190,816	284,809
Debt Service Reserve Funds	-	-	-	360,060
Extraordinary Maintenance Fund	200,000	200,000	-	300,000
Payment to/from GRP and General Fund	(275,333)	(367,110)	-	-
TOTAL OTHER USES	\$ 3,893,348	\$ 4,771,131	\$ 190,816	\$ 13,434,036
OTHER SOURCES				
Bond Proceeds Used	\$ 57,331,314	\$ 107,423,680	\$ 169,213,707	\$ -
From Excess Operations Balance	-	-	3,036,035	273,248
Capacity Contributions	60,000	60,000	60,000	-
TOTAL OTHER SOURCES	\$ 57,391,314	\$ 107,483,680	\$ 172,309,742	\$ 273,248
NET CASH BASIS SOURCES (USES)	\$ 2,924,697	\$ 3,416,463	\$ 821,146	\$ 493,314
Addition to Reserve Funds	\$ 1,764,800	\$ 1,764,800	\$ 821,146	\$ 2,378,436

San Jacinto River Authority - Woodlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
Water Sales-Woodlands MUD's	\$ 7,146,807	\$ 10,947,954	\$ 11,085,289	\$ 11,084,811
Wastewater Treatment Fees	6,800,699	10,856,129	12,369,018	11,826,345
Direct Reuse Water	22,500	30,000	40,000	40,000
GRP Pumping Fees	5,199,470	9,021,470	8,064,888	11,148,517
TOTAL OPERATING REVENUES	\$ 19,169,476	\$ 30,855,553	\$ 31,559,195	\$ 34,099,673
OTHER REVENUES				
Interest Income	\$ 10,045	\$ 13,393	\$ 6,089	\$ -
Interest Income-Contingency Fund	11,604	15,472	-	-
Other Gains & Losses	10,230	13,640	-	-
TOTAL OTHER REVENUES	\$ 31,879	\$ 42,505	\$ 6,089	\$ -
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 1,540,767	\$ 2,054,356	\$ 2,431,437	\$ 2,433,840
Salary & Wage Allocation	1,317,283	1,756,378	1,971,216	2,006,425
Staffing Services	20,963	27,951	40,200	11,800
Compensated Absences	-	-	30,004	7,877
TOTAL SALARIES & WAGES	\$ 2,879,014	\$ 3,838,685	\$ 4,472,856	\$ 4,459,942
PROFESSIONAL FEES				
Legal Fees	\$ 80,343	\$ 107,124	\$ 90,000	\$ 104,000
Annual Financial Audit	16,025	21,367	30,000	30,000
Engineering	237,960	500,996	448,760	939,213
Graphic Design	-	-	-	2,500
TOTAL PROFESSIONAL FEES	\$ 334,328	\$ 629,487	\$ 568,760	\$ 1,075,713
PURCHASED & CONTRACTED SERVICES				
Waste Disposal Services	\$ -	\$ -	\$ -	\$ 13,042
USGS	65,286	87,048	172,692	199,192
Sludge Removal	293,443	391,257	379,862	376,435
Meter Calibration Services	445	593	6,950	6,950
Commercial Laboratory Fees	108,268	144,358	153,146	158,612
Other Services	220	293	6,050	6,000
State Fees	79,622	106,162	80,500	101,697
Groundwater District Fees	304,093	405,457	398,537	400,394
Patrolling & Security Services	3,014	4,019	9,750	8,250
Employee Testing- New	1,323	1,765	3,000	4,300
GRP Pumpage Fees	5,386,535	9,400,677	8,064,888	11,993,874
Janitorial Services	11,923	15,898	12,000	19,500
Public Relations Expense	-	-	2,000	5,000
Major Rivers Program Expense	-	-	-	7,500
TOTAL PURCHASED & CONTRACTED SERVICES	\$ 6,254,172	\$ 10,557,526	\$ 9,289,375	\$ 13,300,746

San Jacinto River Authority - Woodlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
SUPPLIES, MATERIALS & UTILITIES				
Office Supplies & Printing	\$ 10,012	\$ 13,349	\$ 24,800	\$ 20,500
Other Office Expense	13,474	17,965	40,000	20,000
Travel	3,338	4,450	7,100	7,100
Automobile & Truck Expense	41,764	55,685	63,600	55,100
Property Insurance	222,171	296,228	294,002	268,800
Auto Insurance	27,858	37,144	39,342	22,200
Liability Insurance	27,137	36,183	48,939	60,000
Training-External	26,309	35,079	36,700	41,650
Training-Employee HR	6,014	8,019	7,500	11,180
Lime	-	-	600	600
Chlorine	85,781	114,375	128,443	134,330
Polymer	73,313	97,750	91,188	64,867
Sulfur Dioxide	23,854	31,805	29,748	29,750
Other Chemicals	34,674	46,232	51,660	51,900
Employee Relations	2,608	3,477	4,596	4,600
Fuel	67,951	90,601	151,000	116,000
Safety & First Aid	12,823	17,097	33,050	25,880
Uniform Services	33,568	44,757	55,000	35,760
Maintenance Supplies	14,291	19,054	55,000	25,000
Supplies - Lab	4,064	5,418	5,400	7,500
Operations Supplies	28,805	38,406	41,300	41,500
Other Operating Expenses	21,364	28,485	49,450	41,500
Utilities-Electric	1,589,178	2,824,981	2,588,654	2,657,886
Utilities-Natural Gas	7,188	9,583	11,000	11,000
Bank Service Charges	30	40	-	-
Health & Wellness Program	2,402	3,202	6,250	8,600
Recruiting Expenses	27,557	36,743	96,200	21,900
Computer Hardware	59,723	79,630	72,850	58,800
Software & Support	39,259	81,216	115,000	126,400
Software Maintenance	-	-	-	45,150
Network Communications	1,282	1,710	-	21,600
Local Telephone	116,340	155,120	39,000	160,000
TOTAL SUPPLIES, MATERIALS & UTI	\$ 2,624,129	\$ 4,233,787	\$ 4,187,372	\$ 4,197,053
RENTALS				
Equipment Rentals	\$ 35,165	\$ 46,886	\$ 64,100	\$ 59,000
Office Rent	4,184	5,578	-	13,350
Radio Tower Rental	-	-	-	7,500
TOTAL RENTALS	\$ 39,348	\$ 52,464	\$ 64,100	\$ 79,850
MAINTENANCE, REPAIRS & PARTS				
Office,Furniture,Fixtures	\$ 6,386	\$ 8,514	\$ 10,004	\$ 5,000
Office Furniture-New Offices	9,151	12,201	35,096	29,600
Electrical-Buildings	-	-	1,004	3,500
Sidewalks & Driveways	3,805	5,073	5,000	10,000
Mowing	89,865	119,820	134,456	138,449
Buildings/Security System Monitoring	27,379	36,505	65,988	81,200
Wells	444,618	2,105,041	2,968,311	1,183,114

San Jacinto River Authority - Woodlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Tanks	36,528	48,705	214,196	894,150
Electrical	6,693	8,924	83,790	77,350
Generator	24,350	32,467	34,204	56,000
Pumps & Motors	96,983	129,311	185,046	132,500
Compressor	7	10	1,200	1,200
Aerators	817	1,090	12,492	7,500
Machinery, Tools, Implements	40,934	54,578	53,004	57,500
Boat Maintenance & Repairs	3,233	4,311	5,000	5,000
Belt Press	22,933	30,577	31,150	18,200
Clarifier	18,570	24,760	44,436	14,500
UV Equipment	14,867	19,823	20,000	10,000
Lines	752,273	1,003,030	144,496	421,989
Valves/Pipes	67,032	89,377	411,960	200,000
Drainage Structures	2,355	3,140	10,000	-
Other Maintenance	4,512	6,016	19,512	19,500
Laboratory Equipment	351	468	7,166	6,500
Instrumentation Equipment	30,515	40,687	84,604	3,500
Instrumentation Parts	1,543	2,058	-	172,098
TOTAL MAINTENANCE, REPAIRS & P	\$ 1,705,701	\$ 3,786,484	\$ 4,582,115	\$ 3,548,351
EMPLOYEE BENEFITS				
Group Insurance	\$ 423	\$ 563	\$ -	\$ -
Group Insurance	519,692	692,923	851,339	954,074
Group Insurance - Retiree OPEB	-	-	-	56,000
Group Retirement Expense	327,038	436,051	590,158	596,328
Workers Compensation Insurance	61,891	82,522	73,929	92,903
Social Security Taxes	209,822	279,762	336,803	340,276
Employee Benefits Allocation	(6,887)	(9,183)	-	-
TOTAL EMPLOYEE BENEFITS	\$ 1,111,978	\$ 1,482,638	\$ 1,852,230	\$ 2,039,581
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ 404,630	\$ 539,507	\$ 625,488	\$ 639,890
General & Administrative Expense Allocated	95,412	127,216	130,723	149,276
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$ 500,042	\$ 666,723	\$ 756,211	\$ 789,166
TOTAL EXPENSES	\$ 15,448,712	\$ 25,247,793	\$ 25,773,019	\$ 29,490,401
NET REVENUES OVER EXPENSES	\$ 3,752,643	\$ 5,650,264	\$ 5,792,265	\$ 4,609,272
CAPITAL IMPROVEMENTS				
Capital Improvements	\$ 1,610,636	\$ 4,029,692	\$ -	\$ -
Water Treatment Plant & Facilities	-	-	820,365	211,080
Sewage Treatment Plant & Facilities	16,025	21,367	5,766,735	3,479,777
Transportation Equipment	11,112	14,817	11,500	60,000
Office Furniture	-	-	21,296	-
Software	-	-	127,510	416,200
Computer Equipment	40,447	53,930	80,000	142,215
Electronic Test Equipment	(20)	(26)	-	-
TOTAL CAPITAL IMPROVEMENTS	\$ 1,678,201	\$ 4,119,778	\$ 6,827,406	\$ 4,309,272

San Jacinto River Authority - Woodlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER USES				
Extraordinary Maintenance Fund	\$ 200,000	\$ 200,000	\$ 200,000	\$ 300,000
TOTAL OTHER USES	\$ 200,000	\$ 200,000	\$ 200,000	\$ 300,000
NET CASH BASIS SOURCES (USES)	\$ 1,874,443	\$ 1,330,486	\$ (1,235,141)	0

San Jacinto River Authority - Woodlands Other
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
Capacity Revenues	\$ 3,205,854	\$ 4,274,472	\$ -	\$ 5,258,055
TOTAL OPERATING REVENUES	\$ 3,205,854	\$ 4,274,472	\$ -	\$ 5,258,055
OTHER REVENUES				
Interest Income	\$ 7,181	\$ 9,575	\$ -	\$ 3,600
Interest Income-Bond Fund	1,244	1,659	-	900
TOTAL OTHER REVENUES	\$ 8,425	\$ 11,234	\$ -	\$ 4,500
OPERATING EXPENSES				
PROFESSIONAL FEES				
Arbitrage Rebate Audit	\$ 3,050	\$ 4,067	\$ -	\$ -
Paying Agent Fees	2,300	3,067	-	1,850
TOTAL PROFESSIONAL FEES	\$ 5,350	\$ 7,134	\$ -	\$ 1,850
MAINTENANCE, REPAIRS & PARTS				
Lines	\$ 10,350	\$ 13,800	\$ -	\$ -
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 10,350	\$ 13,800	\$ -	\$ -
NON-OPERATING EXPENSES				
Interest Expense-Series 1998 Bonds	\$ 2,220	\$ 2,959	\$ -	\$ 2,959
Interest Expense-Series 2007 Bonds	4,204	5,606	-	5,606
Interest Expense-Bonds	1,747,523	2,330,030	-	2,212,618
TOTAL NON-OPERATING EXPENSES	\$ 1,753,947	\$ 2,338,595	\$ -	\$ 2,221,183
TOTAL EXPENSES	\$ 1,769,647	\$ 2,359,529	\$ -	\$ 2,223,033
NET REVENUES OVER EXPENSES	\$ 1,444,632	\$ 1,926,177	\$ -	\$ 3,039,522
CAPITAL IMPROVEMENTS				
Capital Improvements	\$ 2,469,377	\$ 3,292,503	\$ -	\$ -
TOTAL CAPITAL IMPROVEMENTS	\$ 2,469,377	\$ 3,292,503	\$ -	\$ -
OTHER USES				
Bond Principal	\$ 2,663,248	\$ 3,550,998	\$ -	\$ 3,035,000
TOTAL OTHER USES	\$ 2,663,248	\$ 3,550,998	\$ -	\$ 3,035,000
OTHER SOURCES				
Bond Proceeds Used	\$ 3,687,993	\$ 4,917,324	\$ -	\$ -
TOTAL OTHER SOURCES	\$ 3,687,993	\$ 4,917,324	\$ -	\$ -
NET CASH BASIS SOURCES (USES)	\$ -	\$ -	\$ -	\$ 4,522

FY 2014 Budget Notes - Woodlands Division
July 25, 2013

1. Operating Revenues – Operating Revenues for Woodlands totals \$34,099,673 and are based on fees collected from Woodlands MUDS for the following: (Note: The GRP fee as approved by the SJRA Board is scheduled to increase from \$1.25 to \$1.75 per 1,000 gallons, effective September 1, 2013.)
 - Water Sales to Woodlands MUDs – the wholesale water rate is scheduled to remain at \$1.74 per 1,000 gallons for FY2014. Based on projected water use, the estimated revenue is \$11,084,811.
 - Wastewater Fees – the wholesale wastewater rate is scheduled to remain at \$3.64 per 1,000 gallons for FY2014. Based on projected water use and with a 51% wastewater return, the estimated revenue is \$11,826,345.
 - Direct Reuse Water – the sale of treated wastewater effluent for irrigation is projected to generate \$40,000.
 - GRP Pumping Fees – include the fees directly billed to, and paid by individual MUDs based on actual water metered to the retail customers of each MUD totaling \$11,148,517.
2. Salaries & Wages – Staffing for FY 2014 includes 68.4 Full Time Equivalents (FTEs) as follows:
 - Woodlands Division staff – utilize 41.5 direct FTEs (15.2 water & 26.3 wastewater) at a total cost of \$2,433,840. The Direct Woodlands staff for FY2014 will compromise the following staff:
 - Division Manager (1 FTE)
 - Administrative (4 FTEs)
 - Operations (24 FTEs)
 - Maintenance (12.5 FTEs)
 - General & Administration staff – by allocated time, utilizes 26.9 FTEs to support the management and implementation of the Woodlands Division for a total cost of \$2,006,425.
 - Technical Services – 10.8 FTEs
 - SCADA/I&C – 5.1 FTEs
 - Financial & Admin. – 11.0 FTEs
3. Professional Fees – Professional Fees for FY2014 total \$1,075,713, including the following highlighted expenses:
 - Legal Fees – \$104,000

FY 2014 Budget Notes – Woodlands Division

- Engineering – \$939,213 for non-capital related engineering and other consulting services to support the Woodlands Division, including additional field investigations, analysis, and engineering for the Wastewater Program.
4. Purchased & Contracted Services – Services purchased and contracted from third party providers totaling \$13,300,746, including the following highlighted expenses:
 - USGS – Cooperative Agreement costs from USGS for monitoring, totaling \$199,192
 - Sludge Removal - \$376,435
 - Commercial Lab Fees - \$101,697
 - State Fees – TCEQ related fees totaling \$101,697
 - GW District Fees – Lone Star GCD Permit Fees totaling \$400,394
 - GRP Pumping Fees - include the fees directly billed by the GRP Division based on metered pumpage from Woodlands water wells, totaling \$11,993,874.
 5. Supplies, Materials & Utilities - Includes expenses for supplies for: office, employees, facilities, and equipment, in addition to electric, water, gas, telephone and other utilities, totaling \$4,197,053, including the following highlighted expenses:
 - Property Insurance – \$268,800
 - Chlorine - \$134,330
 - Fuel – gasoline and diesel fuel for vehicles and equipment, totaling \$116,000
 - Electric Utilities - \$2,657,886
 - Software & Support – includes software and licensing, hardware/equipment, and support for software/hardware for employees and Woodlands systems, totaling \$126,400
 - Telephone – includes office and cellular related phone equipment and services, totaling \$160,000
 6. Rentals – Expenses for rental of office, equipment and radio tower for FY 2014 total \$79,850, including the following highlighted expenses:
 - Equipment Rentals – 59,000
 - Office Rent – includes \$13,350 for temporary mobile trailer used by SCADA/I&C staff serving the Woodlands
 - Radio Tower – includes \$7,500 for rental of communication towers in the Woodlands to attach SJRA radios for SCADA/I&C systems.
 7. Maintenance, Repairs & Parts – Includes expenses for routine and scheduled maintenance, buildings and grounds maintenance, tools, and instrumentation, totaling \$3,548,351, including the following highlighted expenses:
 - Mowing - \$138,449

FY 2014 Budget Notes – Woodlands Division

- Wells – includes expenses related to rehabilitation of three water wells and two water well lowerings, totaling \$1,118,114
 - Tanks – includes expenses related to Ground Storage Tanks No. 1 at Water Plant No. 1, totaling \$894,150
 - Pumps & Motors – includes expenses related to repair, rehabilitation, and replacement of various pumps and motors, totaling \$132,500
 - Lines – includes expenses related to repair, rehabilitation, and replacement of various sewer lines, totaling \$421,989
 - Valves & Pipes – includes expenses related to repair, rehabilitation, and replacement of various valves and water lines, totaling \$200,000
 - Instrumentation Parts – includes expenses related to replacement of various instrumentation devices and equipment, totaling \$172,098
8. Employee Benefits - Includes \$2,039,581 for group health insurance, group retirement, Workers' Compensation, payroll taxes, social security taxes, public office liability insurance and employee benefit services expenses for the staff previously identified.
9. General & Administration Expenses – Includes \$789,166 for expenses incurred by General & Administration to support the work performed by the staff within G&A staff noted above who support the Woodlands Division. These costs include such operational expense items as professional fees, purchased & contracted services, supplies, materials, utilities, rentals, maintenance/repairs & parts, non-operating expenses (such as interest expenses); and other costs such as capitalized equipment & other assets (such as computer hardware, software and network systems), principal payments and reserve fund contributions all associated with the support provided by G & A staff previously noted.
10. Capital Improvements – Includes \$4,309,272 for the following:
- rehabilitation of the forcemain for Lift Station No. 12,
 - conversion of Lift Station No. 12 to a full wet well,
 - fence construction,
 - a generator at Lift Station No. 10,
 - installation and upgrade of SCADA system,
 - electrical upgrades at Water Plant No. 3, and
 - Woodlands share of a Computerized Maintenance Management System (CMMS)
11. Extraordinary Maintenance Fund – FY2014's contribution of \$300,000 into the Woodlands Extraordinary Maintenance Fund.

SJRA FY 2014 Budget Risk Management

Woodlands Division

July 25, 2013

Risk	Probability	Management Method
Revenue		
Revenue sales less than projected due to conservation or wet weather	Low	<ul style="list-style-type: none"> Limited operating reserves are available Maintain reserves in the Operating Fund at a two-month minimum, as contractually allowed
Delayed payments from Municipal Utility Districts	Low	<ul style="list-style-type: none"> WJPA incorporated a monthly billing process in 2012, allowing for payments to be received monthly instead of bimonthly Maintain reserves in the Operating Fund at a two-month minimum, as contractually allowed
Labor (Staffing)		
Inadequate staff available for daily operations in Maintenance and Operations Departments.	Medium	<ul style="list-style-type: none"> New Division Manager to develop and implement staff development plan
Professional, Construction and Miscellaneous Services		
Inadequate and/or poorly performing providers of professional, construction and/or miscellaneous services	Low	<ul style="list-style-type: none"> SJRA staff in key management positions to oversee/drive progress Project management procedures are implemented for effective project delivery including control of scope, fee, schedule and risk. Implement the Project Management Plan, as appropriate. All contracts contain termination clauses Professional services contracts are typically work order based, which authorizes work one phase at a time, thereby allowing opportunity to adjust services provided.
Operations and Maintenance		
Operations costs greater than budgeted	Low	<ul style="list-style-type: none"> Limited emergency reserve funds available Plan for operations costs based on historic and anticipated expenditures, with a contingency Extreme events, such as a hurricane landing in the area, are included in contingency plans. Emergency Reserve Funds are available.
Failure of a key Water system component, requiring immediate funds greater than budgeted.	Low	<ul style="list-style-type: none"> Limited emergency reserve funds available Emergency Reserve Funds are available for critical and immediate repair of failed system components. Management updated the Five Year Capital Improvement Program (CIP) to phase and prioritize known critical needs.
Failure of a key Wastewater system component, requiring immediate funds greater than	Low	<ul style="list-style-type: none"> Limited emergency reserve funds available Emergency Reserve Funds are available for critical and immediate repair of failed system components.

SJRA FY 2014 Budget Risk Management**Woodlands Fund**

Risk	Probability	Management Method
budgeted.		<ul style="list-style-type: none">• Management updated the Five Year Capital Improvement Program (CIP) to phase and prioritize known critical needs.

San Jacinto River Authority - GRP
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
GRP Pumping Fees	\$ 10,032,872	\$ 13,377,163	\$ 13,932,293	\$ 22,125,000
GRP Pumping Fees-Woodlands	5,386,535	7,182,047	8,064,888	11,993,874
TOTAL OPERATING REVENUES	\$ 15,419,407	\$ 20,559,209	\$ 21,997,181	\$ 34,118,874
OTHER REVENUES				
Interest Income	\$ 11,266	\$ 15,021	\$ 725,575	\$ 12,156
Interest Income-Bond Funds	855,445	1,140,593	1,631,710	683,500
Interest Income - TWDB Fund	906	1,208	12,500	1,280
Other Gains & Losses	(18,012)	(24,016)	-	-
TOTAL OTHER REVENUES	\$ 849,604	\$ 1,132,806	\$ 2,369,785	\$ 696,936
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 365,055	\$ 486,740	\$ 611,502	\$ 857,656
Salary & Wage Allocation	1,136,299	1,515,065	2,257,466	2,360,709
Staffing Services	12,906	17,208	59,900	123,200
Compensated Absences	-	-	12,100	1,117
TOTAL SALARIES & WAGES	\$ 1,514,260	\$ 2,019,013	\$ 2,940,969	\$ 3,342,682
PROFESSIONAL FEES				
Legal Fees	\$ 60,094	\$ 80,126	\$ 200,000	\$ 450,000
Annual Financial Audit	12,603	16,805	30,000	28,000
Arbitrage Rebate Audit	-	-	2,000	-
Management Audit	-	-	10,000	-
Paying Agent Fees	7,510	10,013	2,000	7,000
Engineering	66,080	88,107	100,000	325,000
Graphic Design	-	-	-	3,000
TOTAL PROFESSIONAL FEES	\$ 146,288	\$ 195,050	\$ 344,000	\$ 813,000
PURCHASED & CONTRACTED SERVICES				
Employee Testing- New	\$ 527	\$ 702	\$ 2,500	\$ 2,400
Janitorial Services	16,562	22,083	11,000	21,000
Water Quality Testing	37,887	50,516	101,250	110,250
Public Relations Expense	10,489	13,986	75,000	22,000
Major Rivers Program Expense	-	-	-	37,225
Website Hosting & Maintenance	11,950	15,933	20,000	18,000
Communication Services	-	-	22,000	21,996
GRP Fee Billing Services	998	1,330	-	-
Directors Meeting Expenses	3,067	4,089	5,000	7,000
Public Official Liability	3,120	4,160	3,000	3,000
TOTAL PURCHASED & CONTRACTED SERVICES	\$ 84,599	\$ 112,798	\$ 239,750	\$ 242,871
SUPPLIES, MATERIALS & UTILITIES				
Office Supplies & Printing	\$ 42,135	\$ 56,180	\$ 13,200	\$ 132,000
Other Office Expense	1,840	2,454	-	-
Travel	2,882	3,842	10,000	13,000
Automobile & Truck Expense	4,276	5,701	5,000	5,000

San Jacinto River Authority - GRP
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Postage	557	742	-	600
Property Insurance	3,240	4,320	345	3,900
Auto Insurance	2,862	3,816	3,629	3,600
Liability Insurance	23,512	31,350	43,383	57,600
Training-External	1,369	1,825	5,000	5,000
Training-Employee HR	4,858	6,478	4,500	6,240
Managers Expense	3,534	4,712	8,000	8,000
Fuel	7,882	10,510	15,000	15,000
Uniform Services	-	-	-	2,000
Operations Supplies	-	-	-	10,000
Memberships & Professional Dues	818	1,091	1,000	12,000
Signage	42	56	-	300
Janitorial Supplies	-	-	-	2,500
Copier, Scanner & FAX	12,789	17,052	-	13,000
Delivery & Freight	920	1,227	1,000	1,605
Utilities-Electric	10,880	14,507	16,500	16,500
Reservation Fees-City of Houston	1,289,846	1,289,846	1,324,911	2,188,984
Reservation Fees-SJRA	621,033	621,033	618,552	670,551
Additional Water Fees	-	-	300,000	300,000
Bank Service Charges	60	80	-	120
Personal Protective Equipment	152	202	1,000	2,000
Safety Equipment & Mtgs	4,023	5,364	-	3,500
Health & Wellness Program	511	681	3,750	4,800
Recruiting Expenses	8,775	11,701	55,400	47,700
Computer Hardware	19,055	25,407	22,798	52,000
Software & Support	40,768	54,358	54,000	90,900
Software Maintenance	-	-	-	40,000
Network Communications	3,515	4,687	4,500	4,000
Publications & Subscriptions	589	786	1,500	1,752
Local Telephone	3,513	4,685	4,000	4,500
Long Distance Telephone	16,962	22,615	1,000	1,150
Wireless Devices & Services	4,829	6,439	7,200	9,480
Phone System-Install, Maint & Changes	427	570	5,000	15,120
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ 2,138,457	\$ 2,214,315	\$ 2,530,168	\$ 3,744,402

RENTALS

Office Equipment Rentals	\$ -	\$ -	\$ 12,000	\$ 1,000
TOTAL RENTALS	\$ -	\$ -	\$ 12,000	\$ 1,000

MAINTENANCE, REPAIRS & PARTS

Office,Furniture,Fixtures	\$ 153	\$ 203	\$ -	\$ 1,000
Office Furniture-New Offices	-	-	-	2,000
Buildings & Grounds Maintenance	8,801	11,735	3,000	8,000
Security System Monitoring	705	940	360	5,160
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 9,659	\$ 12,879	\$ 3,360	\$ 16,160

San Jacinto River Authority - GRP
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
EMPLOYEE BENEFITS				
Group Insurance	\$ 199,951	\$ 266,601	\$ 474,604	\$ 576,890
Group Retirement Expense	169,153	225,538	384,574	432,226
Workers Compensation Insurance	19,109	25,479	24,523	47,865
Social Security Taxes	98,435	131,246	219,476	245,236
TOTAL EMPLOYEE BENEFITS	\$ 486,648	\$ 648,864	\$ 1,103,177	\$ 1,302,217
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ 567,099	\$ 756,132	\$ 1,124,319	\$ 850,563
TOTAL GENERAL & ADMINISTRATIVE	\$ 567,099	\$ 756,132	\$ 1,124,319	\$ 850,563
NON-OPERATING EXPENSES				
Interest Expense-Series 2011 Bonds	\$ 2,886,544	\$ 3,848,725	\$ 3,850,724	\$ 3,751,242
Interest Expense-Series 2012 Bonds	4,794,661	6,392,882	5,237,039	5,923,642
Interest Expense-Series 2012A Bonds	3,142,149	4,189,532	5,870,002	2,522,728
Interest Expense-Series 2011A Bonds	1,937,337	2,583,117	2,583,117	2,646,986
TOTAL NON-OPERATING EXPENSES	\$ 12,760,691	\$ 17,014,255	\$ 17,540,882	\$ 14,844,597
TOTAL EXPENSES	\$ 17,707,701	\$ 22,973,307	\$ 25,838,625	\$ 25,157,492
NET REVENUES OVER EXPENSES	\$ (1,438,689)	\$ (1,281,292)	\$ (1,471,659)	\$ 9,658,318
CAPITAL IMPROVEMENTS				
Property Acquisition	\$ 3,501,359	\$ 4,449,853	\$ 9,596,745	\$ -
Capital Improvements	39,788,927	84,252,456	145,037,503	-
Transportation Equipment	19,529	26,038	25,000	70,000
Office Furniture	75	100	5,000	-
Software	26,979	35,972	149,748	390,000
Computer Equipment	-	-	58,000	86,000
Telephone System	4,690	6,253	-	-
TOTAL CAPITAL IMPROVEMENTS	\$ 43,341,559	\$ 88,770,672	\$ 154,871,996	\$ 546,000
OTHER USES				
Bond Principal	\$ -	\$ -	\$ -	\$ 7,458,333
Debt Service Reserve Funds	-	-	28,949,722	360,060
Payment from General Fund to GRP Division	-	-	-	(30,000)
TOTAL OTHER USES	\$ -	\$ -	\$ 28,949,722	\$ 7,788,393
OTHER SOURCES				
Bond Proceeds Used	\$ 43,290,286	\$ 88,702,309	\$ 196,903,228	\$ -
TOTAL OTHER SOURCES	\$ 43,290,286	\$ 88,702,309	\$ 196,903,228	\$ -
NET CASH BASIS SOURCES (USES)	\$ (1,489,962)	\$ (1,349,655)	\$ 11,609,852	\$ 1,323,924
Addition to Reserve Funds			\$ 11,609,852	

FY 2014 Budget Notes - GRP Division
July 25, 2013

1. Operating Revenues & Other Revenues— Operating Revenues for GRP totals \$34,118,874 and are based on fees collected from GRP participants for the following: (Note: The GRP fee as previously identified in the approved GRP in 2011, and as recommended by the GRP Review Committee and approved by the SJRA Board in 2012 is scheduled to increase from \$1.25 to \$1.75 per 1,000 gallons, effective September 1, 2013.)
 - GRP Pumping Fees – includes GRP fees estimated to be collected from GRP participants based on actual pumpage (excluding Woodlands), totaling \$22,125,000.
 - GRP Pumping Fees for Woodlands – includes GRP fees estimated to be collected from the Woodlands MUDs based on actual pumpage, totaling \$11,993,874.
 - Other Revenues – generally consists of interest earned from operating funds and from unspent bond proceeds available for GRP Program, totaling \$696,936.
2. Salaries & Wages – Staffing for FY 2014 includes 37.6 Full Time Equivalents (FTEs) as follows:
 - GRP Division staff –Following the GRP Five Year Staffing Plan, during FY2014 additional staff is scheduled to be hired as facilities are being constructed and operating/maintenance policies, procedures, and practices are developed in anticipation of system startups in 2015. GRP will utilize 11.25 direct FTEs at a total cost of \$857,656. It is anticipated that the GRP Division will add 3.25 FTEs throughout FY2014. Two key positions are anticipated to be filled early in FY2014: Utilities Operations Superintendent and Utilities Maintenance Superintendent. The GRP staff for FY2014 will comprise the following staff:
 - Division Manager (1 FTE)
 - GRP Implementation Coordinator (1 FTE)
 - Administrative/Customer Relations Staff (4.75 FTEs)
 - Operations and Maintenance Staff (4.5 FTEs)
 - General & Administration staff – by allocated time, utilizes 29.6 FTEs to support the management and implementation of the GRP Program for a total cost of \$2,360,709.
 - Technical Services – 9.2 FTEs
 - SCADA/I&C – 6.1 FTEs
 - Financial & Admin. – 14.3 FTEs
 - Staffing Services – Includes \$123,200 in expenses associated with temporary employees (such as Temp-to-Hire) for GRP Division and G & A staff allocated to the GRP Division provided by third party staffing firms during implementation of the GRP Program.

FY 2014 Budget Notes – GRP Division

3. Professional Fees – Professional Fees for FY2014 total \$813,000, including the following highlighted expenses:
 - Legal Services & Enforcement – \$450,000 & \$28,000 respectively
 - Engineering – \$325,000 for non-capital related engineering, rate consulting, and other professional services to support the GRP Division.
4. Purchased & Contracted Services – Services purchased and contracted from third party providers totaling \$242,871. Included in the total is \$110,250 for expenses related to sampling and laboratory testing of raw water from Lake Conroe.
5. Supplies, Materials & Utilities - Includes expenses for supplies for: office, employees, facilities, and equipment, in addition to electric, water, gas, telephone and other utilities, totaling \$3,744,402. Included in the total is \$2,188,984 for expenses for Reservation Fees paid to the City of Houston. This represents a large increase over FY2013 due to the City of Houston's share of costs for the Lake Conroe Dam Maintenance and Repairs Project. This also includes costs associated with the option of 50,000 acre-feet of water from the Trinity River Authority, solely for use by the GRP.
6. Rentals – Includes \$1,000 for expenses related to Office Equipment leases
7. Maintenance, Repairs & Parts – Includes expenses for routine maintenance, building and grounds maintenance, and security monitoring, totaling \$16,160.
8. Employee Benefits - Includes \$1,302,217 for group health insurance, group retirement, Workers' Compensation, payroll taxes, social security taxes, public office liability insurance and employee benefit services expenses for the staff previously identified.
9. General & Administration Expenses – Includes \$850,563 for expenses incurred by General & Administration to support the work performed by the staff within G & A noted above who support the GRP Division and implementation of the GRP Program. These costs include such operational expense items as professional fees, purchased & contracted services, supplies, materials, utilities, rentals, maintenance/repairs & parts, non-operating expenses (such as interest expenses); and other costs such as capitalized equipment & other assets (such as computer hardware, software and network systems), principal payments and reserve fund contributions all associated with the support provided by G & A staff previously noted.
10. Interest Expense – Includes \$14,844,597 in interest expense on the various funding issues required for the implementation of the Groundwater Reduction Plan, Phase I.

FY 2014 Budget Notes – GRP Division

11. Capital Improvements – Includes \$546,000 for two new vehicles, computer software and hardware equipment, as well as the GRP Division's share of the costs for the purchase and implementation of a computerized maintenance management system (CMMS) that will be critical to the appropriate management of its assets.
12. Bond Principal – Payment of \$7,458,333 associated with the GRP Program.
13. Debt Service Reserve Fund – Transfer of \$360,000 into the debt service reserve fund.
14. Net Cash Basis – the FY2014 Budget is projected to produce a net of \$1,323,924 which would be utilized in the development of future reserves.

SJRA FY 2014 GRP Risk Management

GRP Division

July 25, 2013

Risk	Probability	Management Method
Revenue		
Revenue from GRP Fee less than projected	Low	<ul style="list-style-type: none"> Proposed FY2014 GRP Pumping Fee is based on trends generated from current 2013 groundwater pumpage for Conroe, Woodlands, and other GRP Participants. An extremely cool, wet year could impact groundwater pumpage and thus lower revenue generation than forecasted. However long-term weather forecasts are for continued drought conditions to persist. Pumpage fee and surface water rate can be adjusted in subsequent years (prior to surface water delivery)
Delayed payments from GRP participants	Low	<ul style="list-style-type: none"> Billing reporting and collection process in place to identify late payments and work with customers to obtain payments
Professional, Construction and Miscellaneous Services		
Inadequate and/or poorly performing providers of professional, construction and/or miscellaneous services	Medium	<ul style="list-style-type: none"> SJRA staff in key management positions to oversee/drive progress Specialized consultants in place to manage, administer and inspect all construction projects Project and construction management procedures implemented for effective project delivery including control/management of scope, cost, schedule and risk All contracts contain termination clauses Design for most infrastructure is complete or very near completion Construction contracts are being initiated according to schedule with sufficient float for overall system completion
Project Financing/Debt Service		
Funds available from TWDB Loans and Open Market are inadequate for Construction planned for FY2014 budget year	Very Low	<ul style="list-style-type: none"> SJRA staff in key management positions to oversee/drive progress Project management procedures implemented for effective project delivery including control of scope, fee, schedule and risk Most funding for projects have been obtained One final bond sale may be required in FY 2014

San Jacinto River Authority - Raw Water
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
General Industrial Water Revenue	\$ 6,019,008	\$ 8,025,343	\$ 7,601,148	\$ 8,135,701
General Industrial Water Revenue-Lake Customers	-	-	568,689	597,919
Water Sales-Municipal	247,256	329,674	333,761	345,375
Water Sales - Commercial	19,319	25,758	81,942	-
Lawn Irrigation Fees	66,451	88,601	10,600	42,968
Water Sales-Reclaimed Groundwater	8,483	11,310	-	-
Water Sales-Irrigation	19,963	26,617	39,571	106,420
SJRA Reservation Fee	621,033	828,044	618,552	670,551
Industrial Reservation Fee	-	-	-	249,942
Municipal Reservation Fee	-	-	-	15,148
TOTAL OPERATING REVENUES	\$ 7,001,511	\$ 9,335,348	\$ 9,254,263	\$ 10,164,024
PROFESSIONAL FEES				
Legal Fees	\$ -	\$ -	\$ -	\$ 150,000
Paying Agent Fees	600	800	-	-
Engineering	-	-	-	50,000
TOTAL PROFESSIONAL FEES	\$ 600	\$ 800	\$ -	\$ 200,000
MAINTENANCE, REPAIRS & PARTS				
Bad Debt Expense	\$ (172,546)	\$ (172,546)	\$ -	\$ -
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ (172,546)	\$ (172,546)	\$ -	\$ -
NON-OPERATING EXPENSES				
Interest Expense-Series 2003 Bonds	\$ 523	\$ 697	\$ 3,135	\$ -
Interest Expense-Series 2010 Refunding Bonds	354,481	472,642	479,175	446,988
Interest Expense-Series 2013R Bonds	71,063	94,750	94,750	90,075
TOTAL NON-OPERATING EXPENSES	\$ 426,066	\$ 568,088	\$ 577,060	\$ 537,063
TOTAL EXPENSES	\$ 254,120	\$ 396,342	\$ 577,060	\$ 737,063
NET REVENUES OVER EXPENSES	\$ 6,747,391	\$ 8,939,006	\$ 8,677,203	\$ 9,426,961
OTHER USES				
Bond Principal	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 1,149,167
TOTAL OTHER USES	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 1,149,167
NET CASH BASIS SOURCES (USES)	\$ 5,687,391	\$ 7,879,006	\$ 7,617,203	\$ 8,277,795

FY 2014 Budget Notes – Raw Water Enterprise
July 25, 2013

1. Operating Revenues – Operating Revenues for FY 2014 for the Raw Water Enterprise are projected to total \$10,164,024, based on fees collected for the following:
 - General Industrial Water - \$8,135,701
 - Customers - \$597,919
 - Municipal Water Sales - \$345,375
 - Lawn Irrigation - \$42,968
 - Irrigation Water Sales - \$106,420
 - SJRA Reservation Fees - \$670,551
 - Industrial Reservation Fees - \$249,942
 - Municipal Reservation Fees - \$15,148

2. Operating an Non-Operating Expenses – Expenses for FY 2014 for the Raw Water Enterprise are projected to total \$737,063, including the following highlighted expenses:
 - Legal Fees - \$150,000 set aside for outside legal services to support the IRS Private Letter Ruling request
 - Engineering Fees - \$50,000 for a raw water rate study
 - Interest Expense - includes expenses for interest expense on the 2010 Refunding Bond and the 2013R Bond issues, totaling \$537,063

3. Bond Principal – Payment of \$1,149,167 for principal on previous bonds.

SJRA FY 2014 Raw Water Enterprise Risk Management

July 25, 2013

Risk	Probability	Management Method
Revenue		
Revenue from raw water sales and reservations less than projected	Low	<ul style="list-style-type: none"> • Long-term raw water supply contracts for industrial users are currently “take or pay”. • Long-term raw water supply contracts for municipal users based on previous demand with no increase. • Raw water supply contracts for irrigators are on annual basis, however contracted water amounts are very small. • Long-term GRP contracts with Participants <ul style="list-style-type: none"> ○ Revenue from reservation fees for SJRA water in Lake Conroe ○ Reservation fees for City of Houston water in Lake Conroe is a pass through to GRP Division.
Revenue from dock, marina, OSSF, etc. permitting/licensing less than projected	Low	<ul style="list-style-type: none"> • Improved billing and collection process • Collection rate in budget assumed at 95%
Delayed payments from large raw water customers	Low	<ul style="list-style-type: none"> • Billing collection process in place to identify late payments and work with customers to obtain payments • Working Capital Reserve Funds available
Delayed payments from City of Houston	High	<ul style="list-style-type: none"> • Delayed revenue from COH incorporated in budget • Staff dedicated to working with COH to obtain timely payments • Working Capital Reserve Funds available
Labor (Staffing)		
Inability to provide a competitive compensation package for qualified, motivated staff at a reasonable cost in a changing and volatile environment	Medium	<ul style="list-style-type: none"> • Conducting research regarding competitive compensation and benefits including health benefits • Researching possible alternative plan designs for both retirement and health benefit programs • Seeking competitive bids on health coverage, including quotes for self-insurance
Professional, Construction and Miscellaneous Services		
Inadequate and/or poorly performing providers of professional, construction	Low	<ul style="list-style-type: none"> • SJRA staff in key management positions to oversee/ drive progress for most timely completion • Project management procedures implemented for

SJRA FY 2014 Raw Water Enterprise Risk Management

Risk	Probability	Management Method
and/or miscellaneous services		<p>effective project delivery including control of scope, fee, schedule and risk</p> <ul style="list-style-type: none"> • All contracts contain termination clauses. • All professional services contracts are work order based which only authorize work one phase at a time allowing opportunity to adjust services provided • Standardization of construction contract front-end documents and specifications
Operations and Maintenance Costs		
Operations costs greater than budgeted	Medium	<ul style="list-style-type: none"> • Operations costs based on historic expenditures with contingency • Commodity costs such as fuel and power susceptible to spikes in prices therefore estimated conservatively • Extreme events, such as a hurricane landing in the area, are included in contingency plans • Emergency Reserve Funds available
Failure of a key system component requiring immediate repair in and/or maintenance costs greater than budgeted for Highlands	Medium	<ul style="list-style-type: none"> • Most facilities in Highlands have been in service 60 or more years. An assessment of the Highlands system identified system components in need of repair/rehabilitation. Those needs have been prioritized and placed in a phased capital improvement program (CIP). Critical needs are being addressed through the Highlands Private Activity Bond Program. System components are reviewed daily to assure continued system wide functionality and reliability. If a failure of a key component occurs, staff will identify the severity of the failure, methods to address the failure, appropriate repair method and requiring timing for the repair. • Emergency by-pass pumping plan and pump mobilization contract is in place (services continuation) • Emergency natural gas generator to supply electrical power to Lake Houston Pump Station during loss of power events (services continuation) • Emergency Reserve Funds available for critical and immediate repair of failed system components
Failure of a key system component requiring immediate repair and/or maintenance costs greater than budgeted for Lake Division	Medium	<ul style="list-style-type: none"> • Lake Conroe dam has been in service for over 40 years. A dam safety inspection was completed in 2009 and found the dam to be generally in good condition. Some specific needs/issues were identified and prioritized. Most needs are being addressed in a phased approach in a five year CIP. If a failure of a key system component occurs, staff will identify the severity of the failure,

SJRA FY 2014 Raw Water Enterprise Risk Management

Risk	Probability	Management Method
		<p>methods to address the failure, appropriate repair method and required timing for the repair. Currently sand accumulation near Outlet Pond presents greatest risk for additional expenditures.</p> <ul style="list-style-type: none"> • Emergency Reserve Funds available for critical and immediate repair of failed system components
Capital Outlay		
Capital improvement program (CIP) project costs greater than budgeted	Low	<ul style="list-style-type: none"> • SJRA staff in key management positions to oversee/ drive progress for most timely completion • Project management procedures implemented for effective project delivery including control of scope, fee, schedule and risk • Phased execution of construction projects allows a modification to CIP plan prior to commitment of funds • Commodity costs such as fuel and construction materials susceptible to spikes in prices therefore estimated conservatively • Capital Improvements Reserve Funds available for unanticipated CIP needs
Harris County Continues to Implement Roadway Improvements over/through SJRA Siphons in an Expedited Manner	Medium	<ul style="list-style-type: none"> • SJRA staff to closely monitor Harris County Infrastructure Planning • Capital Improvements Reserve Funds available for unanticipated CIP needs

San Jacinto River Authority - Highlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER REVENUES				
Interest Income	\$ 23,539	\$ 31,385	\$ -	\$ 6,000
Interest Income-Bond Funds	1,485	1,980	-	1,200
Interest Income - TWDB Fund	28,720	38,293	118,000	12,000
Proceeds From Sale Of Assets	(15,283)	(20,378)	-	-
TOTAL OTHER REVENUES	\$ 38,460	\$ 51,280	\$ 118,000	\$ 19,200
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 278,195	\$ 370,927	\$ 403,555	\$ 467,751
Salary & Wage Allocation	303,172	404,230	529,159	826,882
Staffing Services	887	1,183	4,600	1,800
Compensated Absences	-	-	1,169	1,327
TOTAL SALARIES & WAGES	\$ 582,255	\$ 776,340	\$ 938,483	\$ 1,297,760
PROFESSIONAL FEES				
Legal Fees	\$ 8,032	\$ 10,709	\$ 10,000	\$ 115,000
Annual Financial Audit	-	-	-	7,800
Paying Agent Fees	1,000	1,333	1,000	1,000
Engineering Studies	-	-	-	8,000
Safety Inspections & Testing	1,976	2,635	2,600	1,200
Graphic Design	-	-	-	2,000
TOTAL PROFESSIONAL FEES	\$ 11,008	\$ 14,677	\$ 13,600	\$ 135,000
PURCHASED & CONTRACTED SERVICES				
Waste Disposal Services	\$ 1,187	\$ 1,582	\$ 5,250	\$ 3,600
Meter Calibration Services	-	-	1,000	1,200
Patrolling & Security Services	42,637	56,849	73,080	130,000
Employee Testing- New	-	-	1,100	2,100
Stream Gauging & Water	-	-	-	40,000
CWA Water Conveyance	84,657	112,876	144,900	144,900
Trucking	-	-	5,040	4,000
Water Quality Testing	7,451	9,935	26,460	30,000
Public Relations Expense	-	-	-	1,000
TOTAL PURCHASED & CONTRACTED SERV	\$ 135,932	\$ 181,243	\$ 256,830	\$ 356,800
SUPPLIES, MATERIALS & UTILITIES				
Office Supplies & Printing	\$ 411	\$ 549	\$ 3,205	\$ 3,200
Other Office Expense	102	136	2,260	-
Travel	-	-	3,260	3,000
Automobile & Truck Expense	4,839	6,453	8,080	8,080
Postage	188	251	2,600	2,000
Property Insurance	10,942	14,589	14,589	24,900
Auto Insurance	10,423	13,897	13,430	9,000
Liability Insurance	7,961	10,615	14,280	16,500
Small Tools Purchases	1,636	2,182	4,200	3,600
Training-External	435	581	7,560	2,000
Training-Internal	431	575	1,260	500

San Jacinto River Authority - Highlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Training-Employee HR	2,414	3,219	3,000	2,860
Managers Expense	3,434	4,579	6,150	1,000
Fuel	29,127	38,836	53,000	70,000
Uniform Services	-	-	-	2,000
Operations Supplies	2,560	3,414	5,410	5,000
Memberships & Professional Dues	-	-	630	400
Copier, Scanner & FAX	-	-	-	16,200
Utilities-Electric	4,042	5,389	15,372	12,000
Utilities-Natural Gas	315	420	3,000	3,000
Utilities-Water	825	1,100	1,567	1,600
Chemicals	18,950	25,267	37,800	-
Pumping Costs-Direct	75,832	101,110	242,876	240,000
Pumping Costs-Indirect	-	-	-	18,000
Miscellaneous	78	104	-	-
Personal Protective Equipment	26	35	1,100	1,600
Safety Equipment & Mtgs	1,494	1,992	2,100	2,700
Health & Wellness Program	466	622	2,500	2,200
Recruiting Expenses	7,800	10,399	14,800	2,300
Computer Hardware	1,736	2,315	16,000	4,100
Software & Support	5,401	7,201	29,000	29,000
Network Communications	2,567	3,423	8,000	4,500
Publications & Subscriptions	450	600	1,920	1,300
Local Telephone	1,326	1,767	4,500	2,500
Long Distance Telephone	764	1,019	1,000	1,500
Wireless Devices & Services	5,671	7,561	8,500	8,800
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ 202,647	\$ 270,196	\$ 532,949	\$ 505,340
RENTALS				
Equipment Rentals	\$ 78,340	\$ 104,453	\$ 110,000	\$ 5,000
Office Rent	2,690	3,586	6,825	3,750
Office Equipment Rentals	358	477	12,600	-
TOTAL RENTALS	\$ 81,387	\$ 108,516	\$ 129,425	\$ 8,750
MAINTENANCE, REPAIRS & PARTS				
Office,Furniture,Fixtures	\$ -	\$ -	\$ -	\$ 100
Buildings & Grounds Maintenance	6,932	9,243	18,900	10,000
Security System Monitoring	477	636	945	15,000
Machinery,Tools,Implements	8,096	10,795	30,000	50,000
Instrumentation Parts	-	-	-	10,000
Bridges,Culverts & Siphons	-	-	4,600	1,000
Dam Maintenance & Repairs	8,414	11,218	22,720	8,000
Invasive Species Management	-	-	-	30,000
Service Road-Crushed Limestone	-	-	5,670	5,000
Pump Station Maintenance & Repairs	8,436	11,248	36,150	36,000
Pump Station Equipment	7,156	9,542	25,200	1,000
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 39,511	\$ 52,681	\$ 144,185	\$ 166,100
EMPLOYEE BENEFITS				
Group Insurance	\$ 105,844	\$ 141,125	\$ 164,092	\$ 232,263

San Jacinto River Authority - Highlands
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Group Insurance - Retirees	11,218	14,957	15,422	15,952
Group Insurance - Retiree OPEB	-	-	-	29,000
Group Retirement Expense	65,971	87,962	125,027	173,869
Workers Compensation Insurance	13,739	18,319	20,148	24,630
Social Security Taxes	40,757	54,343	71,353	99,035
TOTAL EMPLOYEE BENEFITS	\$ 237,530	\$ 316,706	\$ 396,042	\$ 574,749
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ 201,858	\$ 269,144	\$ 366,137	\$ 436,507
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$ 201,858	\$ 269,144	\$ 366,137	\$ 436,507
NON-OPERATING EXPENSES				
Interest Expense-Series 2010 Bonds	\$ 708,492	\$ 944,656	\$ 1,417,864	\$ 920,292
Interest Expense-2013 Bonds	21,204	28,272	-	400,277
TOTAL NON-OPERATING EXPENSES	\$ 729,696	\$ 972,928	\$ 1,417,864	\$ 1,320,569
TOTAL EXPENSES	\$ 2,221,823	\$ 2,962,431	\$ 4,195,516	\$ 4,801,575
NET REVENUES OVER EXPENSES	\$ (2,183,363)	\$ (2,911,151)	\$ (4,077,516)	\$ (4,782,375)
CAPITAL IMPROVEMENTS				
Capital Improvements	\$ 10,353,035	\$ 13,804,047	\$ 15,043,000	\$ -
Building Improvements	(51,517)	(68,689)	-	-
Maintenance Equipment	-	-	-	360,000
Transportation Equipment	33,080	44,106	35,000	35,000
Office Furniture	-	-	39,000	-
Software	-	-	22,936	85,200
Computer Equipment	-	-	42,500	6,000
TOTAL CAPITAL IMPROVEMENTS	\$ 10,334,598	\$ 13,779,464	\$ 15,182,436	\$ 486,200
OTHER USES				
Bond Principal	\$ -	\$ -	\$ 655,000	\$ 846,667
Debt Service Reserve Funds			228,980	-
Payment from General Fund to GRP Division	10	14	-	-
TOTAL OTHER USES	\$ 10	\$ 14	\$ 883,980	\$ 846,667
OTHER SOURCES				
Bond Proceeds Used	\$ 10,353,035	\$ 13,804,047	\$ 15,043,000	\$ -
TOTAL OTHER SOURCES	\$ 10,353,035	\$ 13,804,047	\$ 15,043,000	\$ -
NET CASH BASIS SOURCES (USES)	\$ (2,164,936)	\$ (2,886,581)	\$ (5,100,932)	\$ (6,115,242)
Addition to Reserve Funds	\$ 1,050,003	\$ 1,400,004	\$ 752,150	\$ 2,222,253

FY 2014 Budget Notes - Highlands Division
July 25, 2013

1. Other Revenue – Interest Income is based on interest earned from any unused proceeds of 2010 and 2013 Bond sales throughout the year based on projected cash flow requirements for scheduled activities related to the management and implementation of the Highlands Bond Program.
2. Salaries & Wages – Staff salaries for FY 2014 includes 18.3 Full Time Equivalents (FTEs) as follows:
 - Highlands Division staff – directly utilizes 8 FTEs for a total cost of \$467,751, which is a 1 FTE increase from FY2013 due to increased construction within the Highlands delivery system and the need to operate the system much closer to its capacity:
 - Division Manager
 - Operations and Maintenance Manager
 - Lake Houston Pump Station Manager
 - Maintenance Staff (5 FTEs)
 - General & Administration staff – by allocated time, utilizes 10.3 FTEs to support the management and implementation of the Highlands Division for a total cost of \$826,882
 - Technical Services – 5.5 FTEs
 - SCADA/I&C – 0.6 FTEs
 - Financial & Administrative – 4.2 FTEs
3. Professional Fees – Include expenses such as attorneys, auditors, engineers, etc., for a total of \$135,000. Legal Fees are projected to be \$115,000, impacted largely by support from outside legal counsel and specialized legal consultants in the development of contracts for improvements to the Highlands system.
4. Purchased & Contracted Services – Services purchased and contracted from third party providers totaling \$356,800, with the following highlighted:
 - Patrolling Services – Includes \$130,000 for increased patrolling by Harris County Constables during facilities construction and maintenance.
 - CWA Water Conveyance – Includes \$144,900 paid to the Coastal Water Authority to divert SJRA's permitted raw water from the Trinity River at the CWA Trinity River Pump Station, convey the water downstream via the CWA canal, and transfer the water from the CWA Canal to the SJRA South Canal.
 - Water Quality Testing – Includes \$30,000 for laboratory costs.

FY 2014 Budget Notes – Highlands Division

5. Supplies, Material & Utilities – Includes expenses for supplies for: office, employees, facilities, and equipment, in addition to electric, water, gas, telephone, and other utilities, totaling \$505,340. The single largest expense is power costs for the Lake Houston Pump Station in the amount of \$240,000.
6. Rentals – Includes office and equipment rentals, totaling \$8,750 for FY 2014. Rental of the emergency stand-by pumps are included in the capitalized costs associated with the construction projects.
7. Maintenance, Repairs & Parts – Includes expenses for routine maintenance, building and grounds maintenance, tools and implements, totaling \$166,000. Also included is \$30,000 for invasive species management.
8. Employee Benefits - Includes expenses for healthcare insurance, retirement, Workers' Compensation insurance, and payroll/social security taxes for the staff previously noted, totaling \$574,749.
9. General & Administration Expenses – Includes \$436,507 for expenses incurred by General & Administration support the work performed by the G&A staff to support the Highlands Division. These costs include such operational expense items as professional fees, purchased & contracted services, supplies, materials, utilities, rentals, maintenance/repairs & parts, non-operating expenses (such as interest expenses); and other costs such as capitalized equipment & other assets (such as computer hardware, software and network systems), principal payments and reserve fund contributions all associated with the support provided by G & A staff previously noted.
10. Non-Operating Expenses – Includes expenses for interest expense on the 2010 and 2013 Bond issues, totaling \$1,320,569.
11. Capital Improvements – Includes \$486,200 for one large piece of maintenance equipment (Gradall), a replacement vehicle, and computer hardware and software.
12. Bond Principal – Payment of \$846,667 for principal on the 2010 Private Activity Bond, 2013 Bond, and previous bonds.
13. Reserve Fund Requirement – Annual contributions would normally be equal to 10% of the FY2013 expenditures on capital improvements for the fiscal year. This fund accumulates reserves to be used for future repair and replacement of the equipment, structures, and facilities constructed. For FY2014, contributions will not be made, but documented and made in subsequent years.

San Jacinto River Authority - Lake Conroe
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OPERATING REVENUES				
Permits, Licenses, & Fees - Residential	\$ 439,854	\$ 586,472	\$ 518,700	\$ 600,000
Permits, Licenses & Fees - Commercial	288,235	384,313	426,000	419,000
Marine Sanitation Inspections	105	140	-	-
Invasive Species Management Revenue	-	-	5,000	8,000
Septic Tank Licenses	16,340	21,787	-	-
City of Houston Share of Lake Conroe Operations	1,001,217	1,334,956	1,688,465	4,377,968
TOTAL OPERATING REVENUES	\$ 1,745,751	\$ 2,327,668	\$ 2,638,165	\$ 5,404,968
OTHER REVENUES				
Proceeds From Sale Of Assets	\$ 37,013	\$ 49,350	\$ -	\$ -
Other Gains & Losses	4,400	5,867	-	-
TOTAL OTHER REVENUES	\$ 41,413	\$ 55,217	\$ -	\$ -
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 452,817	\$ 603,755	\$ 637,561	\$ 738,764
Salary & Wage Allocation	332,213	442,951	499,053	556,507
Staffing Services	888	1,184	13,300	4,000
Compensated Absences	-	-	904	1,202
TOTAL SALARIES & WAGES	\$ 785,918	\$ 1,047,890	\$ 1,150,817	\$ 1,300,472
PROFESSIONAL FEES				
Legal Fees	\$ 18,353	\$ 24,471	\$ 36,000	\$ 45,000
Legal Fees-Enforcement	20,058	26,744	25,000	20,000
Annual Financial Audit	3,943	5,257	9,500	2,800
Management Audit	4,169	5,559	-	-
Engineering	218,704	291,605	208,500	160,000
Engineering Studies	338	451	2,100	-
Safety Inspections & Testing	972	1,296	9,225	4,500
Graphic Design	-	-	-	500
TOTAL PROFESSIONAL FEES	\$ 266,537	\$ 355,383	\$ 290,325	\$ 232,800
PURCHASED & CONTRACTED SERVICES				
Waste Disposal Services	\$ 1,985	\$ 2,647	\$ 10,500	\$ 5,000
State Fees	500	667	1,000	500
Patrolling & Security Services	130,389	173,851	210,500	210,000
Employee Testing- New	232	309	1,000	2,400
Janitorial Services	2,664	3,552	3,120	5,500
Instrumentation Alert Services	-	-	-	9,825
Stream Gauging & Water	70,036	93,381	103,425	115,000
Water Quality Testing	5,347	7,130	-	-
Public Relations Expense	147	196	630	1,700
Major Rivers Program Expense	471	628	10,000	-
Website Hosting & Maintenance	3,000	4,000	6,300	6,300
TOTAL PURCHASED & CONTRACTED SERVI	\$ 214,771	\$ 286,362	\$ 346,475	\$ 356,225

San Jacinto River Authority - Lake Conroe
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
SUPPLIES, MATERIALS & UTILITIES				
Office Supplies & Printing	\$ 3,545	\$ 4,726	\$ 14,870	\$ 7,000
Other Office Expense	4,537	6,050	5,726	2,100
Travel	6,210	8,280	9,765	6,350
Automobile & Truck Expense	16,573	22,097	17,790	32,000
Postage	3,687	4,916	13,948	16,242
Property Insurance	3,506	4,675	4,676	6,420
Auto Insurance	9,328	12,437	11,984	7,200
Liability Insurance	4,854	6,472	9,008	14,460
Small Tools Purchases	-	-	7,490	500
Training-External	7,449	9,932	12,915	9,850
Training-Employee HR	2,414	3,219	3,000	3,640
Managers Expense	3,664	4,886	3,000	5,000
Fuel	30,079	40,105	57,050	50,850
Uniform Services	-	-	-	1,560
Operations Supplies	7,783	10,378	13,540	10,750
Memberships & Professional Dues	509	678	2,835	1,500
Signage	8	10	5,723	3,550
Janitorial Supplies	691	922	1,140	1,100
Copier, Scanner & FAX	-	-	-	5,236
Delivery & Freight	1,971	2,628	1,000	3,500
Utilities-Electric	12,074	16,099	39,950	20,000
Utilities-Natural Gas	1,493	1,990	5,670	2,000
Laboratory Expenses	427	569	5,000	7,000
Personal Protective Equipment	3,271	4,361	8,000	8,000
Safety Equipment & Mtgs	6,046	8,061	4,600	2,940
Health & Wellness Program	1,022	1,362	2,500	2,800
Recruiting Expenses	8,543	11,390	15,700	9,500
Computer Hardware	8,639	11,519	19,700	25,500
Software & Support	17,530	23,373	57,800	59,100
Network Communications	1,269	1,692	1,900	1,500
Publications & Subscriptions	450	600	1,700	1,900
Local Telephone	1,998	2,664	2,300	1,550
Long Distance Telephone	191	255	600	600
Wireless Devices & Services	11,288	15,050	8,600	11,620
Phone System-Install, Maint & Changes	845	1,126	2,300	2,400
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ 181,893	\$ 242,524	\$ 371,780	\$ 345,218
RENTALS				
Equipment Rentals	\$ -	\$ -	\$ 25,200	\$ 20,000
Office Rent	38,333	51,110	51,110	51,109
Office Equipment Rentals	278	371	6,300	-
Rent-U.S. Forest Lands-	12,523	16,697	17,000	17,000
TOTAL RENTALS	\$ 51,133	\$ 68,178	\$ 99,610	\$ 88,109
MAINTENANCE, REPAIRS & PARTS				
Office Furniture & Equipment	\$ 1,569	\$ 2,092	\$ 2,363	\$ 2,500
Instrumentation	3,005	4,006	13,860	58,000
Buildings & Grounds Maintenance	27,346	36,461	54,285	55,000

San Jacinto River Authority - Lake Conroe
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Security System Monitoring	1,458	1,943	1,000	721
Machinery, Tools, Implements	13,342	17,790	16,260	20,500
Boat Maintenance & Repairs	2,809	3,745	6,300	6,700
Dam Maintenance & Repairs	58,963	78,618	28,200	3,280,500
Clearing	-	-	25,000	25,000
Invasive Species Management	52,717	70,289	80,000	80,000
Chemicals	163	217	10,500	1,200
Service Road-Crushed Limestone	-	-	26,250	15,000
Ayer Island Maint & Repair	36	48	2,520	2,520
Security Repairs	4,980	6,640	16,800	16,800
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 166,386	\$ 221,848	\$ 283,338	\$ 3,564,441
EMPLOYEE BENEFITS				
Group Insurance	\$ 161,429	\$ 215,238	\$ 242,930	\$ 277,459
Group Insurance - Retirees	12,914	17,219	15,422	21,269
Group Retirement Expense	89,277	119,037	152,358	173,955
Workers Compensation Insurance	14,692	19,589	16,942	24,397
Social Security Taxes	56,445	75,260	86,951	99,270
TOTAL EMPLOYEE BENEFITS	\$ 334,757	\$ 446,342	\$ 514,604	\$ 596,350
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ 298,350	\$ 397,800	\$ 454,225	\$ 969,287
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$ 298,350	\$ 397,800	\$ 454,225	\$ 969,287
TOTAL EXPENSES	\$ 2,299,745	\$ 3,066,327	\$ 3,511,175	\$ 7,452,902
NET REVENUES OVER EXPENSES	\$ (512,582)	\$ (683,442)	\$ (873,010)	\$ (2,047,934)
CAPITAL IMPROVEMENTS				
Property Acquisition	\$ (702)	\$ (936)	\$ -	\$ -
Capital Improvements	62,566	83,421	-	-
Dam Rehabilitation	-	-	486,667	-
Maintenance Equipment	-	-	2,333	-
Transportation Equipment	10,405	13,874	10,500	11,667
Software	-	-	9,955	30,750
Computer Equipment	3,249	4,332	8,333	6,667
Lab Equipment	-	-	2,000	5,167
City of Houston's 2/3's portion of fixed assets	-	-	-	108,500
TOTAL CAPITAL IMPROVEMENTS	\$ 75,518	\$ 100,691	\$ 519,788	\$ 162,750
NET CASH BASIS SOURCES (USES)	\$ (588,100)	\$ (784,134)	\$ (1,392,797)	\$ (2,210,684)
Addition to Reserve Funds	\$ 386,649	\$ 386,649	\$ 68,996	\$ 103,200

FY 2014 Budget Notes - Lake Conroe Division
July 25, 2013

1. Operating Revenues – Operating Revenues for FY 2014 for Lake Conroe are projected to total \$5,404,968, based on fees collected for the following:
 - Residential permits, licenses and fees – includes \$600,000 based on rates approved by SJRA Board in 2010 and historical data
 - Commercial permits, licenses and fees – includes \$419,000 based on rates approved by SJRA Board in 2010 and historical data
 - Invasive Species Management contributions – includes \$8,000
 - City of Houston’s 2/3 Share of Lake Conroe Division operations and maintenance costs estimated to be \$4,377,968, which includes the City of Houston’s one time contribution for the Dam Maintenance and Repairs Project.
2. Salaries & Wages – Staffing for FY 2014 includes 22 Full Time Equivalents (FTEs) as follows:
 - Lake Conroe Division staff – directly utilizes 14.5 FTEs for a total cost of \$738,764, some of whom provide support in the amount of 0.2 FTEs to the Bear Branch, for a net 14.3 FTEs to the Lake Conroe Division.
 - Division Manager
 - Administrative Staff (2 FTEs)
 - Operations Staff (3 FTEs)
 - Maintenance Staff (4 FTEs)
 - Customer Service Staff (2 FTEs)
 - Water Quality Staff (2.5 FTEs)
 - General & Administration staff – by allocated time, utilizes 7.5 FTEs to support the management and implementation of the Lake Conroe Division for a total cost of \$556,507
 - Technical Services – 0.5 FTEs
 - SCADA/I&C – 0.4 FTEs
 - Financial & Admin. – 6.6 FTEs
3. Professional Fees – Professional Fees generally include expenses related to legal, financial auditing, engineering, and inspection fees, totaling \$232,800. Included in the total is \$160,000 for engineering fees associated with non-capital services.
4. Purchased & Contracted Services – Services purchased and contracted from third party providers totaling \$356,225, with the following highlighted:

FY 2014 Budget Notes – Lake Conroe Division

- Patrolling Services – Includes \$210,000 for patrolling of the area by Montgomery County Constables.
 - Stream Gauging & Water Quality, USGS Co-Op – Includes \$115,000 for SJRA's share in stream gauges maintained by the USGS
5. Supplies, Material & Utilities - Includes expenses for supplies for: office, employees, facilities, and equipment, in addition to electric, water, gas, telephone and other utilities, totaling \$345,218.
6. Rentals – Expenses for rental of office, equipment and lands for FY 2014 total \$88,109, with the following highlighted:
- Equipment Rentals – 20,000
 - Office Rent – Includes \$51,100 for leasing space from the SJRA for the Lake Conroe Division office
 - U.S Forest Lands – Includes \$17,000 for leasing federally owned lands that are submerged under Lake Conroe
7. Maintenance, Repairs & Parts - Includes expenses for routine maintenance, dam maintenance, building and grounds maintenance, tools and implements, totaling \$3,564,441. The total includes non-routine repair costs for Dam Maintenance and Repairs in the amount of \$3,280,500. The Dam repair costs will be shared between SJRA and the City of Houston, 1/3 and 2/3 respectively.
8. Employee Benefits - Includes \$596,350 for group health insurance, group retirement, Workers' Compensation, payroll taxes, social security taxes, public office liability insurance and employee benefit services expenses for the staff previously identified.
9. General & Administration Expenses – Includes \$969,287 for expenses incurred by General & Administration to support the work performed by the staff within G & A staff noted above who support the Lake Conroe Division. These costs include such operational expense items as professional fees, purchased & contracted services, supplies, materials, utilities, rentals, maintenance/repairs & parts, non-operating expenses (such as interest expenses); and other costs such as capitalized equipment & other assets (such as computer hardware, software and network systems), principal payments and reserve fund contributions all associated with the support provided by G & A staff previously noted.
10. Capital Improvements – Includes costs totaling \$162,750 for replacement vehicle, computer hardware and software, and laboratory equipment.
11. Reserve Fund Requirement – Includes payments to the following reserve funds.

FY 2014 Budget Notes – Lake Conroe Division

- Capital Repair/Replacement Reserve Fund – Annual contributions would normally be equal to 10% of the FY2013 expenditures on capital improvements for the fiscal year. This fund accumulates reserves to be used for future repair and replacement of the equipment, structures, and facilities constructed. For FY2014, contributions will not be made, but documented and made in subsequent years.

San Jacinto River Authority - General and Administration

Actual to Budget Comparison

For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER REVENUES				
Interest Income	\$ 8,004	\$ 10,672	\$ 3,692	\$ 6,000
Office Rental Revenue	38,333	51,110	51,110	51,100
Other Gains & Losses	11,353	15,138	-	-
TOTAL OTHER REVENUES	\$ 57,690	\$ 76,920	\$ 54,802	\$ 57,100
OPERATING EXPENSES				
SALARIES & WAGES				
Salaries & Wages	\$ 365,148	\$ 486,864	\$ 620,661	\$ 683,337
Salary & Wage Allocation	17,970	23,960	26,617	-
Staffing Services	11,817	15,757	30,000	25,000
Compensated Absences	-	-	4,757	11,332
TOTAL SALARIES & WAGES	\$ 394,936	\$ 526,581	\$ 682,034	\$ 719,669
PROFESSIONAL FEES				
Legal Fees	\$ 291,811	\$ 389,081	\$ 430,000	\$ 340,000
Disclosure Filing	1,800	2,400	2,420	2,400
Annual Financial Audit	10,198	13,597	31,000	-
Arbitrage Rebate Audit	-	-	3,200	5,250
Paying Agent Fees	500	667	1,000	4,000
Accounting Studies	-	-	10,000	-
Engineering	-	-	100,000	124,000
Other Professional Services	150,000	200,000	172,000	30,000
Public Relations Consultant	-	-	-	52,000
TOTAL PROFESSIONAL FEES	\$ 454,309	\$ 605,745	\$ 749,620	\$ 557,650
PURCHASED & CONTRACTED SERVICES				
Waste Disposal Services	\$ 1,983	\$ 2,644	\$ -	\$ -
Meter Calibration Services	-	-	2,000	2,000
State Fees	210	280	1,000	500
Employee Testing- New	2,072	2,763	11,000	800
Janitorial Services	11,709	15,612	18,000	18,000
Safety Testing Program	-	-	5,000	5,000
Public Relations Expense	90,400	120,534	125,000	30,000
Major Rivers Program Expense	1,885	2,513	1,000	-
Website Hosting & Maintenance	3,057	4,076	6,000	6,000
Education Materials	-	-	6,000	2,000
Water Conservation & Public Education	-	-	45,000	45,000
Directors Fees & Expenses	16,518	22,024	24,000	24,000
Directors Meeting Expenses	3,810	5,080	9,500	9,500
Directors' Travel Expenses	1,628	2,170	4,000	4,000
Document Imaging	-	-	20,000	7,000
TOTAL PURCHASED & CONTRACTED SERV	\$ 133,272	\$ 177,697	\$ 277,500	\$ 153,800
SUPPLIES, MATERIALS & UTILITIES				
Office Supplies & Printing	\$ 17,078	\$ 22,770	\$ 54,200	\$ 46,800
Other Office Expense	7,977	10,636	36,250	-
Travel	26,409	35,211	74,283	108,650

San Jacinto River Authority - General and Administration

Actual to Budget Comparison

For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Automobile & Truck Expense	20,301	27,068	47,191	57,400
Postage	2,076	2,768	9,821	3,660
Property Insurance	9,410	12,546	12,456	10,500
Auto Insurance	12,204	16,272	14,644	10,500
Liability Insurance	3,372	4,496	4,386	12,300
Training-External	52,553	70,071	141,997	171,581
Training-Internal	4,996	6,661	23,704	26,450
Training-Employee HR	4,918	6,557	6,000	2,080
Managers Expense	25,324	33,766	49,877	55,470
Employee Relations	21,005	28,007	50,000	31,600
Fuel	27,861	37,148	77,012	76,200
Uniform Services	-	-	-	4,400
Operations Supplies	5,484	7,312	24,600	6,000
Memberships & Professional Dues	26,431	35,241	40,370	45,160
Janitorial Supplies	4,054	5,405	7,000	7,000
Copier, Scanner & FAX	8,357	11,143	17,000	33,800
Delivery & Freight	1,833	2,444	3,000	4,700
Utilities-Electric	17,508	23,344	60,000	36,000
Utilities-Natural Gas	476	635	4,800	600
Pumping Costs-Indirect	10,839	14,452	24,000	-
Bank Service Charges	218	291	360	360
Bank Account Analysis Fee	3,170	4,227	4,582	4,800
Personal Protective Equipment	1,808	2,411	8,400	11,200
Safety Equipment & Mtgs	4,227	5,636	9,100	9,025
Health & Wellness Program	2,664	3,553	5,000	1,600
Recruiting Expenses	35,532	47,377	59,000	11,400
Computer Hardware	40,005	53,340	131,231	99,100
Software & Support	68,091	90,788	195,850	287,250
Software Maintenance	-	-	-	5,150
Network Communications	5,594	7,458	15,000	9,500
Publications & Subscriptions	4,746	6,327	16,014	12,800
Local Telephone	6,994	9,325	8,000	10,300
Long Distance Telephone	1,176	1,568	2,100	2,660
Wireless Devices & Services	48,405	64,540	104,600	76,428
Phone System-Install, Maint & Changes	2,254	3,005	10,000	13,000
Emergency Ops Communications	759	1,012	1,800	1,800
TOTAL SUPPLIES, MATERIALS & UTILITIE	\$ 536,108	\$ 714,811	\$ 1,353,628	\$ 1,307,224
RENTALS				
Equipment Rentals	\$ -	\$ -	\$ 2,000	\$ 2,000
Office Rent	2,781	3,708	25,035	-
Office Equipment Rentals	13,269	17,692	19,000	3,200
TOTAL RENTALS	\$ 16,050	\$ 21,400	\$ 46,035	\$ 5,200
MAINTENANCE, REPAIRS & PARTS				
Office,Furniture,Fixtures	\$ 4,668	\$ 6,224	\$ -	\$ 12,500
Office Furniture-New Offices	10,227	13,637	12,000	6,000
Buildings & Grounds Maintenance	60,098	80,131	105,000	96,000
Security System Monitoring	1,250	1,667	2,700	1,500

San Jacinto River Authority - General and Administration

Actual to Budget Comparison

For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
Machinery,Tools,Implements	9,029	12,039	5,000	11,000
Instrumentation Parts	3,918	5,224	3,600	-
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 89,191	\$ 118,922	\$ 128,300	\$ 127,000
EMPLOYEE BENEFITS				
Group Insurance	\$ 173,619	\$ 231,492	\$ 135,213	\$ 146,321
Group Insurance - Retirees	12,458	16,611	20,563	15,952
Group Insurance - Retiree OPEB	-	-	-	12,000
Group Retirement Expense	106,479	141,972	86,765	91,772
Workers Compensation Insurance	15,095	20,126	3,139	1,647
Social Security Taxes	71,447	95,263	46,992	52,271
Tuition Reimbursement	4,914	6,552	30,000	20,000
Employee Benefits Allocation	(167,323)	(223,097)	-	-
TOTAL EMPLOYEE BENEFITS	\$ 216,689	\$ 288,918	\$ 322,673	\$ 339,963
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated	\$ (201,858)	\$ (269,144)	\$ (352,045)	\$ -
General & Administrative Expense Allocated to Lak	(298,350)	(397,800)	(454,225)	(969,287)
General & Administrative Expense Allocated to Bea	-	-	(28,736)	(31,739)
General & Administrative Expense Allocated to Hig	-	-	-	(436,507)
General & Administrative Expense Allocated to Wo	(404,630)	(539,507)	(625,488)	(789,167)
General & Administrative Expense Allocated to GRI	(662,511)	(883,348)	(1,237,664)	(850,563)
TOTAL GENERAL & ADMINISTRATIVE EX	\$ (1,567,349)	\$ (2,089,799)	\$ (2,698,158)	\$ (3,077,263)
NON-OPERATING EXPENSES				
Interest Expense-Loans	\$ 97,424	\$ 129,899	\$ 266,327	\$ 190,334
TOTAL NON-OPERATING EXPENSES	\$ 97,424	\$ 129,899	\$ 266,327	\$ 190,334
TOTAL EXPENSES	\$ 370,629	\$ 494,173	\$ 1,127,959	\$ 323,577
NET REVENUES OVER EXPENSES	\$ (312,940)	\$ (417,253)	\$ (1,073,157)	\$ (266,477)
CAPITAL IMPROVEMENTS				
Capital Improvements	\$ 3,053	\$ 4,070	\$ -	\$ -
Transportation Equipment	58,727	78,303	95,000	113,000
Software	-	-	143,140	75,850
Computer Equipment	-	-	96,500	63,350
Telephone System	-	-	10,000	-
Electronic Test Equipment	-	-	10,000	6,500
Water Rights	\$ -	\$ -	\$ 10,000	\$ -
TOTAL CAPITAL IMPROVEMENTS	\$ 61,780	\$ 82,373	\$ 364,640	\$ 258,700

San Jacinto River Authority - General and Administration
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER USES				
Bond Principal	\$ -	\$ -	\$ -	\$ -
Loan Principal	245,433	327,244	190,816	284,809
Payments between General Fund and GRP Division	(275,343)	(367,124)	-	30,000
TOTAL OTHER USES	\$ (29,910)	\$ (39,880)	\$ 190,816	\$ 314,809
OTHER SOURCES				
Bond Proceeds Used	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER SOURCES	\$ -	\$ -	\$ -	\$ -
NET CASH BASIS SOURCES (USES)	\$ (344,809)	\$ (459,745)	\$ (1,628,613)	\$ (839,986)
Addition to Reserve Funds	\$ 328,147	\$ 328,147		

FY 2014 Budget Notes – General & Administration Division
July 25, 2013

1. Operating & Other Revenues – There are no Operating Revenues associated with the G&A Division. Included in Other Revenues is a small amount of revenue projected for interest on operating accounts, \$6,000, and for rent from the Lake Conroe Division for office space, \$51,100.
2. Salaries & Wages – Staffing for FY2014 includes 85.5 FTEs from the following departments with their allocated time to other Divisions depicted with (xx FTEs):
 - Senior Management - 4 FTEs (3.6 FTEs)
 - Accounting - 10.5 FTEs (8.5 FTEs)
 - Administrative - 6 FTEs (2.0 FTEs)
 - Human Resources - 6 FTEs (5.5 FTEs)
 - Info. Technology - 10.75 FTEs (8.3 FTEs)
 - Public Relations - 2 FTEs (1.9 FTEs)
 - Purchasing - 5 FTEs (3.9 FTEs)
 - Risk Management - 3 FTEs (2.2 FTEs)
 - SCADA/I&C 12.25 FTEs (12.2 FTEs)
 - Technical Services - 26 FTEs (26 FTEs)
 - Net Total of 11.4 G&A Unallocated FTEs, at a total cost of \$683,337
3. Professional Fees – For FY2014, Professional Fees total \$557,650, including the following highlighted expenses:
 - Legal Fees - \$340,000
 - Engineering Studies - \$124,000
 - Public Relations Consultant - \$52,000
4. Purchased & Contracted Services – Services purchased and contracted from third party providers totaling \$153,800, including, but not limited to, expenses for janitorial, water conservation education and public relations, safety, Board meeting and Directors expenses, and document imaging.
5. Supplies, Materials & Utilities – Includes, but not limited to, expenses for supplies for: office, employees, facilities, and equipment, in addition to electric, water, gas, telephone and other utilities, totaling \$1,307,224, including the following highlighted expenses:
 - Travel – includes expenses associated with travel to/from meetings, conferences, seminars, etc., totaling \$108,650.
 - External Training – includes expenses associated with employee training, certifications, and continuing educational requirements, totaling \$171,581.

- Software & Support - Includes software and licensing, non-capitalized hardware/equipment, external consulting services and support for software/hardware for employees and G&A systems, totaling \$287,250.
6. Maintenance, Repairs & Parts – Includes expenses for routine and scheduled maintenance, building and grounds maintenance, and security monitoring, with building and grounds maintenance the major of the expense at \$96,000.
 7. Employee Benefits - Includes \$339,963 for group health insurance, group retirement, Workers' Compensation, payroll taxes, social security taxes, public office liability insurance and employee benefit services expenses for the G&A unallocated FTEs previously identified.
 8. Non-Operating Expenses – Includes \$190,334 in interest expense on the loan acquired for the purchase of the G&A Building.
 9. Capital Improvements – Includes \$258,700 for the replacement of vehicles, computer hardware and software equipment, and electronic testing equipment..

San Jacinto River Authority - Bear Branch
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER REVENUES				
Interest Income	\$ 483	\$ 644	\$ 637	\$ 360
Capital Contributions	60,000	60,000	60,000	400,000
TOTAL OTHER REVENUES	\$ 60,483	\$ 60,644	\$ 60,637	\$ 400,360
OPERATING EXPENSES				
SALARIES & WAGES				
Salary & Wage Allocation	\$ 17,031	\$ 22,708	\$ 44,828	\$ 25,685
TOTAL SALARIES & WAGES	\$ 17,031	\$ 22,708	\$ 44,828	\$ 25,685
PROFESSIONAL FEES				
Legal Fees	\$ 8,702	\$ 11,603	\$ 3,000	\$ 3,000
Engineering	-	-	20,000	5,000
TOTAL PROFESSIONAL FEES	\$ 8,702	\$ 11,603	\$ 23,000	\$ 8,000
SUPPLIES, MATERIALS & UTILITIES				
Operating Supplies & Expenses	\$ 26	\$ 35	-	-
Office Supplies & Printing	-	-	1,000	1,000
Automobile & Truck Expense	-	-	2,000	2,000
Liability Insurance	1,724	2,298	3,202	3,200
Fuel	-	-	2,000	2,000
Signage	-	-	2,000	1,000
Bank Service Charges	32	43	-	-
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ 1,782	\$ 2,376	\$ 10,202	\$ 9,200
MAINTENANCE, REPAIRS & PARTS				
Mowing	\$ 47,424	\$ 63,232	\$ 72,000	\$ 72,000
Dam Maintenance & Repairs	-	-	25,000	20,000
Clearing	18,304	24,405	40,000	92,500
Invasive Species Management	5,300	7,067	20,000	15,000
Channel Desilting / Desnagging	58,408	77,877	25,000	25,000
Service Road-Crushed Limestone	-	-	6,000	6,000
Security Repairs	-	-	6,000	3,000
TOTAL MAINTENANCE, REPAIRS & PARTS	\$ 129,436	\$ 172,581	\$ 194,000	\$ 233,500
EMPLOYEE BENEFITS				
Group Insurance	\$ 3,968	\$ 5,290	\$ 5,907	\$ 4,785
Group Retirement Expense	2,139	2,852	6,009	4,522
Workers Compensation Insurance	109	146	165	619
Social Security Taxes	1,804	2,405	3,429	2,576
TOTAL EMPLOYEE BENEFITS	\$ 8,020	\$ 10,693	\$ 15,510	\$ 12,501
GENERAL & ADMINISTRATIVE EXPENSES				
General & Administrative Expense Allocated to Bear Branch	\$ -	\$ -	\$ 28,736	\$ 31,739
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$ -	\$ -	\$ 28,736	\$ 31,739
TOTAL EXPENSES	\$ 164,971	\$ 219,962	\$ 316,275	\$ 320,625

San Jacinto River Authority - Bear Branch
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
NET REVENUES OVER (UNDER) EXPENSES	\$ (104,488)	\$ (159,318)	\$ (255,638)	\$ 79,735
CAPITAL IMPROVEMENTS				
Capital Improvements	\$ 3,844	\$ 5,125	\$ -	\$ -
Dam Rehabilitation	-	-	250,000	300,000
TOTAL CAPITAL IMPROVEMENTS	\$ 3,844	\$ 5,125	\$ 250,000	\$ 300,000
OTHER SOURCES				
Cash Balance Carryforward	\$ -	\$ -	\$ 565,638	\$ 273,248
TOTAL OTHER SOURCES	\$ -	\$ -	\$ 565,638	\$ 273,248
NET CASH BASIS SOURCES (USES)	\$ (108,332)	\$ (164,443)	\$ 60,000	\$ 52,983
Two (2) month's operating expense reserve				\$ 52,983

San Jacinto River Authority - Region H
Actual to Budget Comparison
For the Fiscal Year Ending August 31, 2014

Description	Actuals Sept-May FY2013	Annualized FY2013	Approved Budget FY2013	Approved Budget FY2014
OTHER REVENUES				
Interest Income - Region H - General	\$ 162	\$ 215	\$ 166	\$ -
Interest Income - TWDB Fund	65	87	44	-
Region H Grant Revenue	181,729	242,306	427,750	730,000
TOTAL OTHER REVENUES	\$ 181,956	\$ 242,608	\$ 427,960	\$ 730,000
OPERATING EXPENSES				
PROFESSIONAL FEES				
Engineering	\$ 181,729	\$ 242,306	\$ 421,700	\$ 720,200
TOTAL PROFESSIONAL FEES	\$ 181,729	\$ 242,306	\$ 421,700	\$ 720,200
PURCHASED & CONTRACTED SERVICES				
Directors Fees & Expenses	\$ -	\$ -	\$ 1,200	\$ 1,200
Posting Notice Expenses	225	299	600	2,100
Public Official Liability	1,391	1,855	1,360	1,400
TOTAL PURCHASED & CONTRACTED SERVICES	\$ 1,616	\$ 2,154	\$ 3,160	\$ 4,700
SUPPLIES, MATERIALS & UTILITIES				
Automobile & Truck Expense	\$ -	\$ -	\$ 600	\$ 600
Liability Insurance	-	-	2,500	2,500
TOTAL SUPPLIES, MATERIALS & UTILITIES	\$ -	\$ -	\$ 3,100	\$ 3,100
RENTALS				
Office Rent	\$ (393)	\$ (393)	\$ -	\$ 2,000
TOTAL RENTALS	\$ (393)	\$ (393)	\$ -	\$ 2,000
TOTAL EXPENSES	\$ 182,952	\$ 244,067	\$ 427,960	\$ 730,000
NET REVENUES OVER EXPENSES	\$ (996)	\$ (1,459)	\$ -	\$ -
NET CASH BASIS SOURCES (USES)	\$ (996)	\$ (1,459)	\$ -	\$ -