



Legislation Text

File #: 2019-0376, Version: 1

Consider a resolution approving the proposed BCRUA Operating Budget for Fiscal Year 2020.

The proposed FY2020 budget for the Brushy Creek Regional Utility Authority (BCRUA) includes Operations, Capital Outlay, Reserves, Debt Service, and Fee-in-Lieu amount. The Operations expenses are separated in four categories: non-operating expenses, fixed operating expenses for Cities not receiving water, fixed operating expenses for Cities receiving water, and variable operating expenses. There is a fee-in-lieu of minimum take amount of \$116,769 that Round Rock must pay because we do not plan to take water during this fiscal year. This amount is used to reimburse the partners for the additional operating costs that they will incur for taking additional water from the BCRUA plant instead of from their respective water treatment plants.

The total proposed FY 2020 BCRUA Annual Operating Budget contains a 5.01% increase, from \$14,422,126 to \$15,144,864. Budget changes are summarized as follows:

| Budget Category | FY 2019 | FY2020 | Change |
|--------------------|---------------------|---------------------|------------------|
| Operations | \$ 2,251,471 | \$ 2,493,484 | \$ 242,013 |
| Capital Outlay | \$ 150,000 | \$ 38,000 | (\$112,000) |
| Reserve Adjustment | \$ 52,722 | \$ 32,503 | (\$ 20,219) |
| Debt Service | \$11,967,933 | \$12,580,877 | \$612,944 |
| TOTAL | \$14,422,126 | \$15,144,864 | \$722,738 |

Round Rock’s change in the annual budget goes down from \$4,596,511 to \$4,558,857, due to a decrease in the capital outlay, operating reserves, and fee-in-lieu of minimum take.

The increase in Operations is primarily driven by a combination of labor, chemicals, as well as more accurate charging for support services from the member cities. Debt Service increases are driven by the addition of approximately \$15.7 million in SWIFT Loan Debt, issued in November 2018, for the Phase 2 Final Design Project. BCRUA staff and the Operations Committee have reviewed this proposed budget and recommend approval. The BCRUA Board approved the budget at the August 28th board meeting. All three member Cities are required to approve the budget with their respective City Councils.

Cost: \$4,558,857

Source of Funds: Regional Water Fund