

## Post Oak Savannah GCD 2018 Budget Notes

### **Keys to reading the Draft 2018 Budget spreadsheet:**

The figuring of the balance sheet is found at top right under "Projected 2018 Balance Sheet."

"Total Funds Available 12-31-17" is an estimate of funds available to the District from all banking accounts at Dec. 31, 2017. "Reserve Target" is defined by the Board Policies as ½ the most recently adopted Budget, in this case for the year 2018, and is the total expenses found at the bottom of column B, and colored red. Deducting the "Reserve Target" amount from the "Total Funds Available on 12-31-17" results in "Net Funds Available."

"Projected 2018 Income" is derived from the columns at the top left, and is shown as 1 cent per 1000 gallons permitted for production and 7 ½ cents per 1000 gallons permitted in Transport Fees. That can be found in column B, and the totals are matching green. Adding "Net Funds Available" to "Projected 2018 Income" yields "Total", which is the amount available to fund the District's 2018 budgeted expenses.

"2018 Budget (with encumber.)" includes all new expenses budgeted for 2018 and all amounts committed in previous years which have not yet been expended, and are termed as "encumbered." Assuming projections for both income and expense are accurate, and all income is received and expenses expended, the District would end 2018 with a \$466.50 surplus.

### **2018 Revenue**

The revenue portion of the budget is broken down into anticipated revenue for the year consisting of Production fees, Transport fees, Oil & Gas fees, and Interest. All production and transport fees are assessed on permitted amounts, with permitted amounts broken down into 1000 gallon increments to project revenue. O & G income includes an estimate of application and production fees to be collected during 2018. This is an estimate due to these permits not presently being issued. Other revenues which are possible, but not projected are application fees on non-exempt wells, or requests for copies of files or documents at our office. Interest income is estimated based on actual 2017 interest earned.

In adopting fees the Board considers the amount of money in the District's accounts, the amount of funds that are encumbered, or committed, through awards of grants or projects previously approved, but not yet completed or paid out (such as monitoring program work or conservation program grants), the amount of funding required to support the District's mission, and the amount of funding required by the Board's policies to be kept in reserve, which is outlined in the Board's Policies as one half of the District's most recently adopted budget, which in this example would be the Budget for 2018.

## **2018 Expenses**

Budgeted expenses are broken down into the categories listed on the 2018 Budget spreadsheet, and the following is a list of items which are included in each of the budget categories.

Advertising: includes any expense or materials necessary to advertising for notice and hearings, etc., as well as other informative efforts not included under Education.

Education: includes any materials, equipment or expense for our several education programs, including efforts in social media, publications, schools, local service groups, public presentations, workshops for local water utilities in the District, Milam and Burleson Counties Groundwater Summit, and Rainwater Harvesting and Earthkind classes.

Field and Lab Equipment: includes any tools and equipment used in either field or office work for water quality or water level measurements and evaluations, and not included in Monitoring expense.

General Hydrologist: includes any work performed by hydrologists on behalf of the District not included in work performed as part of the joint planning process of GMA 12 and GMA 8.

GMA 12 Hydrologist: includes any work performed by hydrologists on behalf of the District as part of the joint planning process of GMA 12.

GMA 8 Hydrologist: includes any work performed by hydrologists on behalf of the District as part of the joint planning process of GMA 8.

Auto: includes purchase, fuel, insurance, and maintenance for District vehicles.

Dues: includes any dues to professional organizations such as the Texas Alliance of Groundwater Districts, Texas Water Conservation Association, Texas Ground Water Association, etc., as well as any fees for conferences attended by District staff.

Insurance: includes all insurance paid by the District such as property, health, errors and omissions, etc.

Miscellaneous: includes miscellaneous expenses not found in any other category

Postage: includes expenses for postage for mailing normal items and newsletters

Professional fees: includes fees paid by the District for legal, website, auditor, lobbyist, database work, other miscellaneous professional fees

Repairs: includes maintenance and repair to property and building, including pest control, lawn care, and office improvements.

Telephone: includes office phone lines, reimbursement to employees for cell phones, and internet service

Travel: includes all meals, hotel, etc. for District staff and Directors, including Director travel expense to meetings, and any food expense for meetings

Utilities: includes expenses for water and electricity

Office Supplies: includes normal office supplies, office equipment, copier lease, etc.

Payroll Expense: includes actual payroll, payroll taxes, and any contributions to retirement accounts.

Monitoring Program: includes all expenses associated with work in the identification, completion, and equipping of wells for water level monitoring, and the work of monitoring water levels of those wells, including equipment used for that purpose

Well Assistance Program: includes funds associated with this program

Rainwater Harvesting Program: includes funds associated with this program, including part of the expense for educational classes, as well as rainwater harvesting equipment

Advanced Aquifer Improvements: includes funds associated with development and implementation of this new program for enhancement or recharge of aquifers

Conservation Programs: includes grants to local water utilities in the District used for conservation of groundwater or, plugging of abandoned water wells, and reimbursement to fire departments in the District for materials used to conserve groundwater.