



Control Number: 52666



Item Number: 1



Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Pursuant to 16 Texas Administrative Code (TAC) Chapter 24, Substantive Rules Applicable to Water and Sewer Service Providers, Subchapter G: Certificates of Convenience and Necessity

CCN Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, you should adhere to the following:
 - i. Answer every question and submit all required attachments.
 - ii. Use attachments or additional pages if needed to answer any question. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part F: Mapping & Affidavits.
 - iv. Provide any other necessary approvals from the Texas Commission on Environmental Quality (TCEQ), or evidence that a request for approval is being sought at the time of filing with the Commission.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.

SEND TO: Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (NOTE: Electronic documents may be sent in advance of the paper copy; however, they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records.)
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicant will be ordered to provide information to cure the deficiencies by a certain date (usually 30 days from ALJ's order). **Application is not accepted for filing.**
 - ii. **SUFFICIENT (Administratively Complete):** Applicant will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. **Application is accepted for filing.**
- IV. Once the Applicant issues notice, a copy of the actual notice sent (including any map) and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may choose to take one of the following actions:
 - i. **HEARING ON THE MERITS:** an affected party may request a hearing on the application. The request must be made within 30 days of notice. If this occurs, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
 - ii. **LANDOWNER OPT-OUT:** A landowner owning a qualifying tract of land (25+ acres) may request to have their land removed from the requested area. The Applicant will be requested to amend its application and file new mapping information to remove the landowner's tract of land, in conformity with this request.
- V. **PROCEDURAL SCHEDULE:** Following the issuance of notice and the filing of proof of notice in step 4, the application will be granted a procedural schedule for final processing. During this time the Applicant must respond to hearing requests, landowner opt-out requests, and requests for information (RFI). The Applicant will be requested to provide written consent to the proposed maps, certificates, and tariff (if applicable) once all other requests have been resolved.
- VI. **FINAL RECOMMENDATION:** After receiving all required documents from the Applicant, Staff will file a recommendation on the CCN request. The ALJ will issue a final order after Staff's recommendation is filed.

FAQ:

Who can use this form?

Any retail public utility that provides or intends to provide retail water or wastewater utility service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) must use this form to obtain or amend a CCN prior to providing retail water or sewer utility service in the requested area.

What is the purpose of the application?

A CCN Applicant is required to demonstrate financial, managerial, and technical (FMT) capability to provide continuous and adequate service to any requested area. The questions in the application are structured to support an Applicant's FMT capabilities, consistent with the regulatory requirements.

11/25

Application Summary

Applicant: city of Schertz

CCN No. to be amended: 10645

or ☐ Obtain NEW CCN ☒ Water ☐ Sewer

County(ies) affected by this application: comal

Dual CCN requested with: _____

CCN No.: _____ (name of retail public utility) ☐ Portion or ☐ All of requested area

Decertification of CCN for: green valley SUD

CCN No.: 10645 (name of retail public utility) ☒ Portion or ☐ All of requested area

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Please mark the items included in this filing

<input type="checkbox"/> Partnership Agreement	Part A: Question 4
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part A: Question 4
<input type="checkbox"/> Certificate of Account Status	Part A: Question 4
<input type="checkbox"/> Franchise, Permit, or Consent letter	Part B: Question 7
<input type="checkbox"/> Existing Infrastructure Map	Part B: Question 8
<input type="checkbox"/> Customer Requests For Service in requested area	Part B: Question 9
<input type="checkbox"/> Population Growth Report or Market Study	Part B: Question 10
<input type="checkbox"/> TCEQ Engineering Approvals	Part B: Question 11
<input type="checkbox"/> Requests & Responses For Service to ½ mile utility providers	Part B: Question 12.B
<input type="checkbox"/> Economic Feasibility (alternative provider) Statement	Part B: Question 12.C
<input type="checkbox"/> Alternative Provider Analysis	Part B: Question 12.D
<input type="checkbox"/> Enforcement Action Correspondence	Part C: Question 16
<input type="checkbox"/> TCEQ Compliance Correspondence	Part D: Question 20
<input type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part D: Question 23
<input type="checkbox"/> Rate Study (new market entrant)	Part E: Question 28
<input type="checkbox"/> Tariff/Rate Schedule	Part E: Question 29
<input type="checkbox"/> Financial Audit	Part E: Question 30
<input type="checkbox"/> Application Attachment A & B	Part E: Question 30
<input type="checkbox"/> Capital Improvement Plan	Part E: Question 30
<input type="checkbox"/> Disclosure of Affiliated Interests	Part E: Question 31
<input type="checkbox"/> Detailed (large scale) Map	Part F: Question 32
<input type="checkbox"/> General Location (small scale) Map	Part F: Question 32
<input type="checkbox"/> Digital Mapping Data	Part F: Question 32
<input type="checkbox"/> Signed & Notarized Affidavit	Page 12

Part A: Applicant Information

1. A. Name: city of Schertz
(individual, corporation, or other legal entity)
☐ Individual ☐ Corporation ☐ WSC ☒ Other: Municipality
- B. Mailing Address: 10 commercial place bld.#2
Schertz TX 78154
Phone No.: (210) 619-1800 Email: smayfield@schertz.com
- C. Contact Person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.
Name: Stephen Mayfield Title: w/www manager
Mailing Address: 10 commercial place bld.#2 Schertz TX 78154
Phone No.: (210) 619-1800 Email: smayfield@schertz.com
2. If the Applicant is someone other than a municipality, is the Applicant currently paid in full on the Regulatory Assessment Fees (RAF) remitted to the TCEQ?
☐ Yes ☐ No ☒ N/A
3. If the Applicant is an Investor Owned Utility (IOU), is the Applicant current on Annual Report filings with the Commission?
☐ Yes ☐ No If no, please state the last date an Annual Report was filed: _____
4. The legal status of the Applicant is:
☐ Individual or sole proprietorship
☐ Partnership or limited partnership (*attach* Partnership agreement)
☐ Corporation: Charter number (recorded with the Texas Secretary of State): _____
☐ Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]
Charter number (as recorded with the Texas Secretary of State): _____
☐ Articles of Incorporation and By-Laws established (*attach*)
☒ Municipally-owned utility
☐ District (MUD, SUD, WCID, FWSD, PUD, etc.)
☐ County
☐ Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
☐ Other (please explain): _____
5. If the Applicant operates under an assumed name (i.e., any d/b/a), provide the name below:
Name: city of Schertz

Part B: Requested Area Information

6. Provide details on the existing or expected land use in the requested area, including details on requested actions such as dual certification or decertification of service area.

inter-local agreement has been signed between both CCNs to decertify from Greenvally CCN to Schertz ccn. The city of schertz currently is already servicing the property.

7. The requested area (check all applicable):

- ☒ Currently receives service from the Applicant ☐ Is being developed with no current customers
☐ Overlaps or is within municipal boundaries ☐ Overlaps or is within district boundaries

Municipality: _____ District: _____

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

8. Describe the circumstances (economic, environmental, etc.) driving the need for service in the requested area:

inter-local agreement with Green valley SUD releasing CCN

9. Has the Applicant received any requests for service within the requested area?

☐ Yes* ☒ No *Attach copies of all applicable requests for service and show locations on a map

10. Is there existing or anticipated growth in the requested area?

☐ Yes* ☒ No *Attach copies of any reports and market studies supporting growth

11. A. Will construction of any facilities be necessary to provide service to the requested area?

☐ Yes* ☒ No *Attach copies of TCEQ approval letters

B. Date Plans & Specifications or Discharge Permit App. submitted to TCEQ: _____

C. Summarize an estimated timeline for construction for any required facilities to serve the requested area:

service is already in place

D. Describe the source and availability of funds for any required facilities to serve the requested area:

service is already in place

Note: Failure to provide applicable TCEQ construction or permit approvals, or evidence showing that the construction or permit approval has been filed with the TCEQ may result in the delay or possible dismissal of the application.

12. A. If construction of a physically separate water or sewer system is necessary, provide a list of all retail public water and/or sewer utilities within one half mile from the outer boundary of the requested area below:

n/a

B. Did the Applicant request service from each of the above water or sewer utilities?

☐

Yes*

☐

No

*Attach copies of written requests and copies of the written response

C. Attach a statement or provide documentation explaining why it is not economically feasible to obtain retail service from the water or sewer retail public utilities listed above.

D. If a neighboring retail public utility agreed to provide service to the requested area, attach documentation addressing the following information:

- (A) A description of the type of service that the neighboring retail public utility is willing to provide and comparison with service the applicant is proposing;
- (B) An analysis of all necessary costs for constructing, operating, and maintaining the new facilities for at least the first five years of operations, including such items as taxes and insurance; and
- (C) An analysis of all necessary costs for acquiring and continuing to receive service from the neighboring retail public utility for at least the first five years of operations.

13. Explain the effect of granting the CCN request on the Applicant, any retail public utility of the same kind serving in the proximate area, and any landowners in the requested area. The statement should address, but is not limited to, regionalization, compliance, and economic effects.

There will be no impact as the city already supplies water to the location.

Part C: CCN Obtain or Amend Criteria Considerations

14. Describe the anticipated impact and changes in the quality of retail utility service for the requested area:

There will be no impact as the city already supplies water to the location.

15. Describe the experience and qualifications of the Applicant in providing continuous and adequate retail service:

The city owns and operates the water system that is supplying water to the location.

16. Has the Applicant been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes?

☐ Yes* ☒ No

*Attach copies of any correspondence with the applicable regulatory agency concerning any enforcement actions, and attach a description of any actions or efforts the Applicant has taken to comply with these requirements.

17. Explain how the environmental integrity of the land will or will not be impacted or disrupted as a result of granting the CCN as requested:

There will be no impact as the city already supplies water to the location.

18. Has the Applicant made efforts to extend retail water or sewer utility service to any economically distressed area located within the requested area?

There will be no impact as the city already supplies water to the location.

19. List all neighboring water or sewer retail public utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service located within two (2) miles from the outer boundary of the requested area:

Green valley SUD

Part D: TCEQ Public Water System or Sewer (Wastewater) Information

20. A. Complete the following for all Public Water Systems (PWS) associated with the Applicant's CCN:

TCEQ PWS ID:	Name of PWS:	Date of TCEQ inspection*:	Subdivisions served:
	Green valley SUD		
	City of Schertz		

*Attach evidence of compliance with TCEQ for each PWS

- B. Complete the following for all TCEQ Water Quality (WQ) discharge permits associated with the Applicant's CCN:

TCEQ Discharge Permit No:	Date Permit expires:	Date of TCEQ inspection*:	Subdivisions served:
WQ-			
WQ-			
WQ-			
WQ-			

*Attach evidence of compliance with TCEQ for each Discharge Permit

- C. The requested CCN service area will be served via: PWS ID: _____
WQ - _____

21. List the number of existing connections for the PWS & Discharge Permit indicated above (Question 20. C.):

Water				Sewer	
0	Non-metered	85	2"	12,650	Residential
14,168	5/8" or 3/4"	18	3"	450	Commercial
249	1"	9	4"	0	Industrial
0	1 1/2"	212	Other	0	Other
Total Water Connections:			14,748	Total Sewer Connections:	13,100

22. List the number of additional connections projected for the requested CCN area:

Water				Sewer	
	Non-metered		2"		Residential
	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:				Total Sewer Connections:	

23. A. Will the system serving the requested area purchase water or sewer treatment capacity from another source?

☐ Yes* ☒ No *Attach a copy of purchase agreement or contract.

Capacity is purchased from:

Water: _____

Sewer: _____

B. Are any of the Applicants PWS's required to purchase water to meet the TCEQ's minimum capacity requirements or TCEQ's drinking water standards?

☐ Yes ☒ No

C. What is the amount of supply or treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0%
Sewer:		100%

24. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

☒ Yes ☐ No

25. List the name, class, and TCEQ license number of the operators that will be responsible for the operations of the water or sewer utility service provided to the requested area:

Name (as it appears on license)	Class	License No.	Water/Sewer
Stephen Mayfield	A	wo0040873	water

26. A. Are any improvements required for the existing PWS or sewer treatment plant to meet TCEQ or Commission standards?

☐ Yes ☒ No

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

27. Provide a map (or maps) showing all facilities for production, transmission, and distribution, and the location of existing or proposed customer connections, in the requested area. Facilities should be identified on subdivision plats, engineering planning maps, or other large scale maps. Color coding can be used, and is encouraged, to distinguish types of facilities.

Part E: Financial Information

28. If the Applicant seeking to obtain a CCN for the first time is an Investor Owned Utility (IOU) and under the original rate jurisdiction of the Commission, a proposed tariff must be attached to the application. The proposed rates must be supported by a rate study, which provides all calculations and assumptions made. Once a CCN is granted, the Applicant must submit a rate filing package with the Commission within 18 months from the date service begins. The purpose of this rate filing package is to revise a utility's tariff to adjust the rates to a historic test year and to true up the new tariff rates to the historic test year. It is the Applicant's responsibility in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service. Any dollar amount collected under the rates charged during the test year in excess of the revenue requirement established by the Commission during the rate change proceeding shall be reflected as customer contributed capital going forward as an offset to rate base for ratemaking purposes.

29. If the Applicant is an existing IOU, please attach a copy of the current tariff and indicate:

A. Effective date for most recent rates: 10/1/2020

B. Was notice of this increase provided to the Commission or a predecessor regulatory authority?

☒ No ☐ Yes

Application or Docket Number: _____

C. If notice was not provided to the Commission, please explain why (ex: rates are under the jurisdiction of a municipality)

rates are under the jurisdiction of the municipality.

If the Applicant is a Water Supply or Sewer Service Corporation (WSC/SSC) and seeking to obtain a CCN, attach a copy of the current tariff.

30. **Financial Information**

Applicants must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Commission Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

- 31.** Attach a disclosure of any affiliated interest or affiliate. Include a description of the business relationship between all affiliated interests and the Applicant.

DO NOT INCLUDE ATTACHMENTS A OR B IF LEFT BLANK

Part F: Mapping & Affidavits

- 32.** Provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The Applicant should adhere to the following guidance:
 - i. If the application includes an amendment for both water and sewer certificated service areas, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map should be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made and/or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application includes an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part 2 (above);

- ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part 2 (above); or
- iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drives), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part G: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice until the application is deemed sufficient for filing and the Applicant is ordered to provide notice.

33. Complete the following using verifiable man-made and/or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: _____

Number of customer connections in the requested area: _____

The closest city or town: City of Schertz

Approximate mileage to closest city or town center: _____

Direction to closest city or town: south

The requested area is generally bounded on the North by: fm-482

on the East by: n/a

on the South by: I-35

on the West by: Hubertus rd.

34. A copy of the proposed map will be available at 10 commercial place bld.2

Applicant's Oath

STATE OF Texas

COUNTY OF Covadalupe

I, Mark Brune being duly sworn, file this application to
obtain or amend a water or sewer CCN, as

(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further represent that the application form has not been changed, altered, or amended from its original form.

I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants within its certificated service area should its request to obtain or amend its CCN be granted.



AFFIANT

(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas

this day the 29th of July, 2021

SEAL



Cynthia A. Simmons
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Cynthia A. Simmons
PRINT OR TYPE NAME OF NOTARY

My commission expires: 5-28-2022

Appendix A: Historical Financial Information (Balance Sheet and Income Schedule)

(Audited financial statements may be substituted for this schedule – see item 29 of the instructions)

HISTORICAL BALANCE SHEETS (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Other						
A. Total Current Assets						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
B. Total Fixed Assets						
C. TOTAL Assets (A + B)						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
D. Total Current Liabilities						
LONG TERM LIABILITIES						
Notes Payable, Long-term						
Other						
E. Total Long Term Liabilities						
F. TOTAL LIABILITIES (D + E)						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
G. TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES+EQUITY (F + G) = C						
WORKING CAPITAL (A – D)						
CURRENT RATIO (A / D)						
DEBT TO EQUITY RATIO (E / G)						

DO NOT INCLUDE ATTACHMENTS A OR B IF LEFT BLANK

HISTORICAL NET INCOME INFORMATION						
(ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
METER NUMBER						
Existing Number of Taps						
New Taps Per Year						
Total Meters at Year End						
METER REVENUE						
Revenue per Meter (use for projections)						
Expense per Meter (use for projections)						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Revenues- Base Rate & Gallonage Fees						
Other (Tap, reconnect, transfer fees, etc.)						
Gross Income						
EXPENSES						
General & Administrative (see schedule)						
Operating (see schedule)						
Interest						
Other (list)						
NET INCOME						

HISTORICAL EXPENSE INFORMATION (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries & Benefits–Office/Management						
Office (services, rentals, supplies, electricity)						
Contract Labor						
Transportation						
Insurance						
Telephone						
Utilities						
Property Taxes						
Professional Services/Fees (recurring)						
Regulatory- other						
Other (describe)						
Interest						
Other						
Total General Admin. Expenses (G&A)						
% Increase Per Year	0%	0%	0%	0%	0%	0%
OPERATIONS & MAINTENANCE EXPENSES						
Salaries & Benefits (Employee, Management)						
Materials & Supplies						
Utilities Expense-office						
Contract Labor						
Transportation Expense						
Depreciation Expense						
Other(describe)						
Total Operational Expenses (O&M)						
Total Expense (Total G&A + O&M)						
Historical % Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ASSUMPTIONS						
Interest Rate/Terms						
Depreciation Schedule (attach)						
Other assumptions/information (List all)						

Appendix B: Projected Information

HISTORICAL BALANCE SHEETS (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
A. Total Current Assets						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
B. Total Fixed Assets						
C. TOTAL Assets (A + B)						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
D. Total Current Liabilities						
LONG TERM LIABILITIES						
Notes Payable, Long-term						
Other						
E. Total Long Term Liabilities						
F. TOTAL LIABILITIES (D + E)						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
G. TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES+EQUITY (F + G) = C						
WORKING CAPITAL (A - D)						
CURRENT RATIO (A / D)						
DEBT TO EQUITY RATIO (F / G)						

PROJECTED NET INCOME INFORMATION						
(ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
METER NUMBER						
Existing Number of Taps						
New Taps Per Year						
Total Meters at Year End						
METER REVENUE						
Revenue per Meter (use for projections)						
Expense per Meter (use for projections)						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Revenues- Base Rate & Gallonage Fees						
Other (Tap, reconnect, transfer fees, etc.)						
Gross Income						
EXPENSES						
General & Administrative (see schedule)						
Operating (see schedule)						
Interest						
Other (list)						
NET INCOME						

PROJECTED EXPENSE DETAIL	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office						
Computer						
Auto						
Insurance						
Telephone						
Utilities						
Depreciation						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per projected Year	0%	0%	0%	0%	0%	0%
OPERATIONAL EXPENSES						
Salaries						
Auto						
Utilities						
Depreciation						
Repair & Maintenance						
Supplies						
Other						
Total						

PROJECTED SOURCES AND USES OF CASH STATEMENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income						
Depreciation (If funded by revenues of system)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt (CADS)						
A: Net Income (Loss)						
B: Depreciation, or Reserve Interest						
C: Total CADS (A + B = C)						
D: DEBT SERVICE						
Annual Principle Plus Interest						
E: DEBT SERVICE COVERAGE RATIO						
CADS Divided by DS (E = C / D)						

CITY OF SCHERTZ, TEXAS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2019

	Business-Type Activities Enterprise Funds	
	Water and Sewer System	Schertz EMS
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,955,132	\$ 106,347
Investments	17,369,593	616,919
Accounts receivable, net of allowance:		
Customer accounts	3,995,689	2,848,334
Due from other funds	-	16,139
Accrued interest	6,324	-
Inventory	<u>85,015</u>	<u>61,906</u>
Total Current Assets	<u>23,411,753</u>	<u>3,649,645</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	3,457,678	-
Investments	13,179,666	-
Investment in joint ventures	11,416,770	-
Capital assets:		
Land	1,696,942	-
Water rights	70,245	-
Buildings and improvements	5,489,184	-
Machinery, equipment, and vehicles	3,195,258	2,812,292
Infrastructure	100,295,885	-
Construction in progress	9,248,439	-
Less: accumulated depreciation	<u>(34,132,122)</u>	<u>(1,866,567)</u>
Total Noncurrent Assets	<u>113,917,945</u>	<u>945,725</u>
Total Assets	<u>137,329,698</u>	<u>4,595,370</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	60,079	-
Deferred OPEB related outflows	19,018	37,378
Deferred pension related outflows	<u>401,652</u>	<u>789,399</u>
Total Deferred Outflows of Resources	<u>480,749</u>	<u>826,777</u>

Business-Type Activities Enterprise Funds	Governmental Activities
Total Enterprise Fund	Internal Service Fund
\$ 2,061,479	\$ -
17,986,512	-
	-
6,844,023	-
16,139	-
6,324	-
146,921	-
<u>27,061,398</u>	<u>-</u>
3,457,678	-
13,179,666	-
11,416,770	-
1,696,942	-
70,245	-
5,489,184	-
6,007,550	-
100,295,885	-
9,248,439	-
(35,998,689)	-
<u>114,863,670</u>	<u>-</u>
<u>141,925,068</u>	<u>-</u>
60,079	-
56,396	-
<u>1,191,051</u>	<u>-</u>
<u>1,307,526</u>	<u>-</u>

CITY OF SCHERTZ, TEXAS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2019

	Business-Type Activities Enterprise Funds	
	Water and Sewer System	Schertz EMS
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 3,137,174	\$ 41,640
Accrued liabilities	69,966	203,111
Retainage payable	172,373	-
Customer deposits	632,780	-
Accrued interest	101,523	3,280
Unearned revenue	431,088	16
Current portion of long-term liabilities:		
Compensated absences	23,940	43,288
Total OPEB liability	5,473	10,756
Long-term debt	<u>1,620,000</u>	<u>341,953</u>
Total Current Liabilities	<u>6,194,317</u>	<u>644,044</u>
Noncurrent liabilities:		
Compensated absences	95,760	173,151
Total OPEB liability	204,589	402,097
Net pension liability	1,478,539	2,905,891
Long-term debt	<u>15,971,088</u>	<u>372,988</u>
Total Noncurrent Liabilities	<u>17,749,976</u>	<u>3,854,127</u>
Total Liabilities	<u>23,944,293</u>	<u>4,498,171</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred OPEB related inflows	8,993	17,674
Deferred pension related inflows	<u>1,936</u>	<u>3,806</u>
Total Deferred Outflows of Resources	<u>10,929</u>	<u>21,480</u>
NET POSITION		
Net investment in capital assets	68,040,291	230,784
Restricted for construction	13,232,638	-
Unrestricted	<u>32,582,296</u>	<u>671,712</u>
Total Net Position	<u>\$ 113,855,225</u>	<u>\$ 902,496</u>

Business-Type Activities Enterprise Funds	Governmental Activities
Total Enterprise Fund	Internal Service Fund
\$ 3,178,814	\$ -
273,077	-
172,373	-
632,780	-
104,803	-
431,104	-
67,228	-
16,229	-
<u>1,961,953</u>	<u>-</u>
<u>6,838,361</u>	<u>-</u>
268,911	-
606,686	-
4,384,430	-
<u>16,344,076</u>	<u>-</u>
<u>21,604,103</u>	<u>-</u>
<u>28,442,464</u>	<u>-</u>
26,667	-
<u>5,742</u>	<u>-</u>
<u>32,409</u>	<u>-</u>
68,271,075	-
13,232,638	-
<u>33,254,008</u>	<u>-</u>
\$ <u>114,757,721</u>	\$ <u>-</u>

CITY OF SCHERTZ, TEXAS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities Enterprise Funds	
	Water and Sewer System	Schertz EMS
OPERATING REVENUES		
Fees charged to users	\$ 27,018,506	\$ 6,596,618
Charges for premiums	-	-
Other charges	90,041	-
Miscellaneous	<u>137,703</u>	<u>130,085</u>
Total Operating Revenues	<u>27,246,250</u>	<u>6,726,703</u>
OPERATING EXPENSES		
Personnel services	1,908,362	4,442,559
Contribution to joint ventures	4,287,219	-
Water purchase	3,086,446	-
Garbage contractor	4,848,197	-
Sewage treatment	4,379,952	-
General and administrative	3,237,942	575,811
Contractual services	264,586	667,701
Supplies and maintenance	607,940	496,208
Depreciation	<u>2,354,506</u>	<u>336,004</u>
Total Operating Costs	<u>24,975,150</u>	<u>6,518,283</u>
Operating Income (Loss)	<u>2,271,100</u>	<u>208,420</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment revenue	840,279	14,937
Lease revenue	224,928	-
Interest expense	<u>(633,240)</u>	<u>(11,348)</u>
Total Non-Operating Revenues (Expenses)	<u>431,967</u>	<u>3,589</u>
Income Before Contributions and Transfers	<u>2,703,067</u>	<u>212,009</u>
Capital contributions	1,975,524	-
Transfers in	<u>81,525</u>	<u>-</u>
CHANGE IN NET POSITION	<u>4,760,116</u>	<u>212,009</u>
NET POSITION - BEGINNING	<u>97,678,339</u>	<u>690,487</u>
PRIOR PERIOD ADJUSTMENT	11,416,770	-
NET POSITION - BEGINNING, RESTATED	<u>109,095,109</u>	<u>690,487</u>
NET POSITION - END OF YEAR	\$ <u>113,855,225</u>	\$ <u>902,496</u>

Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Fund
Total Enterprise Funds	
\$ 33,615,124	\$ -
-	2,823,441
90,041	-
267,788	-
<u>33,972,953</u>	<u>2,823,441</u>
6,350,921	2,823,441
4,287,219	-
3,086,446	-
4,848,197	-
4,379,952	-
3,813,753	-
932,287	-
1,104,148	-
2,690,510	-
<u>31,493,433</u>	<u>2,823,441</u>
<u>2,479,520</u>	<u>-</u>
855,216	-
224,928	-
(644,588)	-
<u>435,556</u>	<u>-</u>
<u>2,915,076</u>	<u>-</u>
1,975,524	-
81,525	-
<u>4,972,125</u>	<u>-</u>
<u>98,368,826</u>	<u>-</u>
11,416,770	-
<u>109,785,596</u>	<u>-</u>
\$ <u>114,757,721</u>	\$ <u>-</u>

CITY OF SCHERTZ, TEXAS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities Enterprise Funds	
	Water and Sewer System	Schertz EMS
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users	\$ 26,149,246	\$ 6,766,373
Cash received from interfund services	-	-
Cash paid to employees for services	(2,054,226)	(4,360,732)
Cash paid to suppliers for goods and services	(19,175,069)	(1,575,204)
Net Cash Provided By operating Activities	<u>4,919,951</u>	<u>830,437</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	81,525	-
Collection of cash advances from other funds	<u>116,040</u>	<u>-</u>
Net Cash Provided By Noncapital Financing Activities	<u>197,565</u>	<u>-</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(8,864,566)	-
Proceeds from the issuance of debt	6,220,000	-
Premium from issuance of debt	498,979	-
Interest paid on long-term debt	(648,464)	(11,348)
Principal paid on long-term debt	(4,420,000)	(360,133)
Net Cash Used in Capital and Related Financing Activities	<u>(7,214,051)</u>	<u>(371,481)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (purchase) of investments	1,033,036	(559,779)
Payments from leases	224,928	-
Interest and investment earnings	<u>840,279</u>	<u>14,937</u>
Net Cash Provided By (Used in) Investing Activities	<u>2,098,243</u>	<u>(544,842)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	1,708	(85,886)
Cash and cash equivalents at beginning of year:		
Cash and cash equivalents	1,448,185	192,233
Restricted cash and cash equivalents	<u>3,962,917</u>	<u>-</u>
	5,411,102	192,233
Cash and cash equivalents at end of year		
Cash and cash equivalents	1,955,132	106,347
Restricted cash and cash equivalents	<u>3,457,678</u>	<u>-</u>
	<u>\$ 5,412,810</u>	<u>\$ 106,347</u>

The accompanying notes are an integral part
of these financial statements.

Business-Type Activities Enterprise Funds	Governmental Activities
Total Enterprise	Internal Service Fund
\$ 32,915,619	\$ -
-	2,823,441
(6,414,958)	(2,823,441)
(20,750,273)	-
<u>5,750,388</u>	<u>-</u>
81,525	-
<u>116,040</u>	<u>-</u>
<u>197,565</u>	<u>-</u>
(8,864,566)	-
6,220,000	-
498,979	-
(659,812)	-
(4,780,133)	-
<u>(7,585,532)</u>	<u>-</u>
473,257	-
224,928	-
<u>855,216</u>	<u>-</u>
<u>1,553,401</u>	<u>-</u>
(84,178)	-
1,640,418	-
<u>3,962,917</u>	<u>-</u>
<u>5,603,335</u>	<u>-</u>
2,061,479	-
<u>3,457,678</u>	<u>-</u>
<u>\$ 5,519,157</u>	<u>\$ -</u>

CITY OF SCHERTZ, TEXAS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities Enterprise Funds	
	Water and Sewer System	Schertz EMS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 2,271,100	\$ 208,420
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	2,354,506	336,004
Decrease (increase) in accounts receivable	(1,088,390)	36,384
Decrease (increase) in inventory	4,856	25,322
Increase (decrease) in deferred pension outflows	(165,109)	(404,526)
Increase (decrease) in deferred OPEB outflows	(5,588)	(10,826)
Increase (decrease) in accounts payable	1,532,357	139,194
Increase (decrease) in accrued liabilities	20,091	(141,177)
Increase (decrease) in customer deposits	(8,614)	3,280
Increase (decrease) in unearned revenue	-	6
Increase (decrease) in compensated absences	6,206	25,019
Increase (decrease) in net pension liability	55,414	807,526
Increase (decrease) in deferred OPEB inflows	8,993	17,674
Increase (decrease) in deferred pension inflows	(67,739)	(213,103)
Increase (decrease) in total OPEB liability	1,868	1,240
Net cash provided by operating activities	\$ <u>4,919,951</u>	\$ <u>830,437</u>
SCHEDULE OF NON-CASH CAPITAL ACTIVITIES		
Developer contributions of capital assets	<u>1,975,524</u>	<u>-</u>

Business-Type Activities Enterprise Funds	Governmental Activities
Total Enterprise	Internal Service Fund
\$ 2,479,520	\$ -
2,690,510	-
(1,052,006)	-
30,178	-
(569,635)	-
(16,414)	-
1,671,551	-
(121,086)	-
(5,334)	-
6	-
31,225	-
862,940	-
26,667	-
(280,842)	-
3,108	-
<u>\$ 5,750,388</u>	<u>\$ -</u>
 1,975,524	 -

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 1,448,185	\$ 192,233	\$ 1,640,418	\$ -
Investments	19,167,541	57,000	19,224,541	-
Accounts Receivable, Net of Allowance:				
Customer Accounts	2,907,299	2,884,718	5,792,017	-
Due from Other Funds	116,040	16,139	132,179	-
Accrued Interest	6,324	-	6,324	-
Inventory	89,871	87,228	177,099	-
<i>Total Current Assets</i>	<u>23,735,260</u>	<u>3,237,318</u>	<u>26,972,578</u>	<u>-</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	3,962,917	-	3,962,917	-
Investments	12,414,754	140	12,414,894	-
Capital Assets:				
Land	1,357,539	-	1,357,539	-
Water Rights	70,245	-	70,245	-
Buildings and Improvements	4,689,003	6,500	4,695,503	-
Machinery, Equipment, and Vehicles	2,579,173	2,862,286	5,441,459	-
Infrastructure	97,225,671	-	97,225,671	-
Construction in Progress	3,391,127	-	3,391,127	-
Less: Accumulated Depreciation	(31,934,511)	(1,578,574)	(33,513,085)	-
<i>Total Noncurrent Assets</i>	<u>93,755,918</u>	<u>1,290,352</u>	<u>95,046,270</u>	<u>-</u>
TOTAL ASSETS	<u>117,491,178</u>	<u>4,527,670</u>	<u>122,018,848</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding	71,061	-	71,061	-
Deferred OPEB Related Outflows	13,430	26,552	39,982	-
Deferred Pension Related Outflows	236,543	384,873	621,416	-
TOTAL DEFERRED OUTFLOWS	<u>\$ 321,034</u>	<u>\$ 411,425</u>	<u>\$ 732,459</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 1,777,190	\$ 114,040	\$ 1,891,230	\$ -
Accrued Liabilities	55,669	131,851	187,520	-
Customer Deposits	641,394	-	641,394	-
Accrued Interest Payable	95,729	9,326	105,055	-
Unearned Revenue	431,088	10	431,098	-
Current Portion of Compensated Absences	22,699	38,284	60,983	-
Current Portion of Long-Term Debt	1,509,710	363,652	1,873,362	-
<i>Total Current Liabilities</i>	<u>4,533,479</u>	<u>657,163</u>	<u>5,190,642</u>	<u>-</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	90,795	153,136	243,931	-
Total Other Post-Employment Benefit Liability	208,194	411,613	619,807	-
Net Pension Liability	1,423,125	2,098,365	3,521,490	-
Long-Term Debt (Net of Current Portion)	13,808,605	711,422	14,520,027	-
<i>Total Noncurrent Liabilities</i>	<u>15,530,719</u>	<u>3,374,536</u>	<u>18,905,255</u>	<u>-</u>
TOTAL LIABILITIES	<u>20,064,198</u>	<u>4,031,699</u>	<u>24,095,897</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Inflows	69,675	216,909	286,584	-
TOTAL DEFERRED INFLOWS				
NET POSITION				
Net Investment in Capital Assets	64,656,352	215,277	64,871,629	-
Unrestricted	33,021,987	475,210	33,497,197	-
TOTAL NET POSITION	<u>\$ 97,678,339</u>	<u>\$ 690,487</u>	<u>\$ 98,368,826</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
OPERATING REVENUES				
Fees Charged to Users	\$ 26,906,716	\$ 6,092,559	\$ 32,999,275	\$ -
Charges for Premiums	-	-	-	2,441,307
Other Charges	192,521	-	192,521	-
TOTAL OPERATING REVENUES	27,099,237	6,092,559	33,191,796	2,441,307
OPERATING EXPENSES				
Personnel Services	2,052,660	4,043,032	6,095,692	2,441,307
Contribution to Joint Ventures	3,206,068	-	3,206,068	-
Water Purchase	3,217,917	-	3,217,917	-
Garbage Contractor	4,687,548	-	4,687,548	-
Sewage Treatment	4,066,299	-	4,066,299	-
General and Administrative	2,770,165	533,268	3,303,433	-
Contractual Services	405,756	699,858	1,105,614	-
Supplies and Maintenance	395,850	449,999	845,849	-
Depreciation	2,333,982	371,827	2,705,809	-
TOTAL OPERATING EXPENSES	23,136,245	6,097,984	29,234,229	2,441,307
OPERATING INCOME (LOSS)	3,962,992	(5,425)	3,957,567	-
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	521,727	10,640	532,367	-
Lease Income	263,469	-	263,469	-
Miscellaneous	131,631	58,274	189,905	-
Interest Expense	(391,609)	(12,423)	(404,032)	-
Amortization	(52,000)	-	(52,000)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	473,218	56,491	529,709	-
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	4,436,210	51,066	4,487,276	-
Transfers In (Out)	(15,546)	(3,640)	(19,186)	-
Capital Contributions	3,132,348	-	3,132,348	-
CHANGE IN NET POSITION	7,553,012	47,426	7,600,438	-
NET POSITION AT BEGINNING OF YEAR	90,252,474	889,852	91,142,326	-
PRIOR PERIOD ADJUSTMENT	(127,147)	(246,791)	(373,938)	-
NET POSITION AT END OF YEAR	\$ 97,678,339	\$ 690,487	\$ 98,368,826	\$ -

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
Cash Flows From Operating Activities:				
Cash Received From Customers and Users	\$ 27,080,410	\$ 6,332,268	\$ 33,412,678	\$ -
Cash Received from Interfund Services	-	-	-	2,441,307
Cash Paid to Employees for Services	(1,980,148)	(3,976,477)	(5,956,625)	(2,441,307)
Cash Paid to Supplier for Goods & Services	(19,047,974)	(1,631,429)	(20,679,403)	-
Net Cash Provided (Used) by Operating Activities	6,052,288	724,362	6,776,650	-
Cash Flows From Noncapital Financing Activities:				
Cash Advances From/(To) Other Funds	15,546	(187,583)	(172,037)	-
Net Cash Provided (Used) by Noncapital Financing Activities	15,546	(187,583)	(172,037)	-
Cash Flows From Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(1,808,605)	(854,517)	(2,663,122)	-
Proceeds from Issuance of Debt/Capital Leases	5,595,000	332,967	5,927,967	-
Interest Paid on Long-Term Debt	(423,338)	(13,828)	(437,166)	-
Principal Paid on Long-Term Debt	(1,275,000)	(396,134)	(1,671,134)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	2,088,057	(931,512)	1,156,545	-
Cash Flows From Investing Activities:				
Sale (Purchase) of Investments	(7,609,944)	576,326	(7,033,618)	-
Premium from Issuance of Debt	282,000	-	282,000	-
Payments from Leases	263,469	-	263,469	-
Interest and Investment Earnings	521,727	10,640	532,367	-
Net Cash Provided (Used) by Investing Activities	(6,542,748)	586,966	(5,955,782)	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,613,143	192,233	1,805,376	-
Cash and Cash Equivalents at Beginning of Year:				
Cash and Cash Equivalents	2,353,733	-	2,353,733	-
Restricted Cash and Cash Equivalents	1,444,226	-	1,444,226	-
	<u>3,797,959</u>	<u>-</u>	<u>3,797,959</u>	<u>-</u>
Cash and Cash Equivalents at End of Year:				
Cash and Cash Equivalents	1,448,185	192,233	1,640,418	-
Restricted Cash and Cash Equivalents	3,962,917	-	3,962,917	-
	<u>\$ 5,411,102</u>	<u>\$ 192,233</u>	<u>\$ 5,603,335</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 2,353,733	\$ -	\$ 2,353,733	\$ -
Investments	9,725,719	551,826	10,277,545	-
Accounts Receivable, Net of Allowance:				
Customer Accounts	2,719,495	3,092,705	5,812,200	-
Due from Other Funds	116,040	-	116,040	-
Accrued Interest	6,324	-	6,324	-
Inventory	51,790	81,640	133,430	-
<i>Total Current Assets</i>	<u>14,973,101</u>	<u>3,726,171</u>	<u>18,699,272</u>	<u>-</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	1,444,226	-	1,444,226	-
Investments	14,246,632	90,028	14,336,660	-
Capital Assets:				
Land	1,354,138	-	1,354,138	-
Water Rights	70,245	-	70,245	-
Buildings and Improvements	4,653,501	6,500	4,660,001	-
Machinery, Equipment, and Vehicles	2,814,438	2,198,639	5,013,077	-
Infrastructure	92,807,350	-	92,807,350	-
Construction in Progress	2,907,404	-	2,907,404	-
Less: Accumulated Depreciation	<u>(29,835,794)</u>	<u>(1,397,623)</u>	<u>(31,233,417)</u>	<u>-</u>
<i>Total Noncurrent Assets</i>	<u>90,462,140</u>	<u>897,544</u>	<u>91,359,684</u>	<u>-</u>
TOTAL ASSETS	<u>105,435,241</u>	<u>4,623,715</u>	<u>110,058,956</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding	89,998	-	89,998	-
Deferred Pension Related Outflows	359,249	548,412	907,661	-
TOTAL DEFERRED OUTFLOWS	<u>\$ 449,247</u>	<u>\$ 548,412</u>	<u>\$ 997,659</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 2,037,480	\$ 56,756	\$ 2,094,236	\$ -
Accrued Liabilities	45,370	130,790	176,160	-
Customer Deposits	590,618	-	590,618	-
Accrued Interest Payable	55,618	7,953	63,571	-
Due to Other Funds	-	175,084	175,084	-
Unearned Revenue	431,088	10	431,098	-
Current Portion of Compensated Absences	19,212	42,913	62,125	-
Current Portion of Long-Term Debt	1,282,556	329,541	1,612,097	-
<i>Total Current Liabilities</i>	<u>4,461,942</u>	<u>743,047</u>	<u>5,204,989</u>	<u>-</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	76,847	171,653	248,500	-
Net Other Post-Employment Benefit Payable	48,451	100,370	148,821	-
Net Pension Liability	1,603,324	2,454,626	4,057,950	-
Long-Term Debt (Net of Current Portion)	9,441,450	812,579	10,254,029	-
<i>Total Noncurrent Liabilities</i>	<u>11,170,072</u>	<u>3,539,228</u>	<u>14,709,300</u>	<u>-</u>
TOTAL LIABILITIES	<u>15,632,014</u>	<u>4,282,275</u>	<u>19,914,289</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	70,065,611	295,424	70,361,035	-
Unrestricted	20,186,863	594,428	20,781,291	-
TOTAL NET POSITION	<u>\$ 90,252,474</u>	<u>\$ 889,852</u>	<u>\$ 91,142,326</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
OPERATING REVENUES				
Fees Charged to Users	\$ 25,079,280	\$ 6,366,894	\$ 31,446,174	\$ -
Charges for Premiums	-	-	-	2,690,926
Other Charges	311,433	-	311,433	-
TOTAL OPERATING REVENUES	25,390,713	6,366,894	31,757,607	2,690,926
OPERATING EXPENSES				
Personnel Services	1,861,475	3,976,190	5,837,665	2,690,926
Contribution to Joint Ventures	2,542,314	-	2,542,314	-
Water Purchase	2,918,214	-	2,918,214	-
Garbage Contractor	4,342,077	-	4,342,077	-
Sewage Treatment	3,763,487	-	3,763,487	-
General and Administrative	2,454,165	541,006	2,995,171	-
Contractual Services	356,891	651,726	1,008,617	-
Supplies and Maintenance	458,539	480,692	939,231	-
Depreciation	2,282,145	339,171	2,621,316	-
TOTAL OPERATING EXPENSES	20,979,307	5,988,785	26,968,092	2,690,926
OPERATING INCOME (LOSS)	4,411,406	378,109	4,789,515	-
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	207,817	3,649	211,466	-
Lease Income	232,754	-	232,754	-
Miscellaneous	122,373	120,606	242,979	-
Interest Expense	(368,390)	(17,393)	(385,783)	-
Amortization	1,619	-	1,619	-
TOTAL NONOPERATING REVENUES (EXPENSES)	196,173	106,862	303,035	-
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	4,607,579	484,971	5,092,550	-
Transfers In (Out)	-	(9,399)	(9,399)	-
Capital Contributions	6,111,474	-	6,111,474	-
CHANGE IN NET POSITION	10,719,053	475,572	11,194,625	-
NET POSITION AT BEGINNING OF YEAR	79,533,421	414,280	79,947,701	-
NET POSITION AT END OF YEAR	\$ 90,252,474	\$ 889,852	\$ 91,142,326	\$ -

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
Cash Flows From Operating Activities:				
Cash Received From Customers and Users	\$ 25,048,982	\$ 5,591,596	\$ 30,640,578	\$ -
Cash Received from Interfund Services	-	-	-	2,690,926
Cash Paid to Employees for Services	(1,836,377)	(3,810,177)	(5,646,554)	(2,690,926)
Cash Paid to Supplier for Goods & Services	(16,460,515)	(1,704,734)	(18,165,249)	-
Net Cash Provided (Used) by Operating Activities	<u>6,752,090</u>	<u>76,685</u>	<u>6,828,775</u>	<u>-</u>
Cash Flows From Noncapital Financing Activities:				
Cash Advances From/(To) Other Funds	-	165,685	165,685	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>165,685</u>	<u>165,685</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(1,030,767)	(34,510)	(1,065,277)	-
Interest Paid on Long-Term Debt	(365,973)	(11,336)	(377,309)	-
Principal Paid on Long-Term Debt	(1,332,556)	(229,541)	(1,562,097)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,729,296)</u>	<u>(275,387)</u>	<u>(3,004,683)</u>	<u>-</u>
Cash Flows From Investing Activities:				
Purchase of Investments	(4,904,577)	(552,751)	(5,457,328)	-
Premium from Issuance of Debt	-	19,399	19,399	-
Proceeds from Issuance of Debt	-	540,000	540,000	-
Payments from Leases	232,754	-	232,754	-
Interest and Investment Earnings	207,817	3,649	211,466	-
Net Cash Provided (Used) by Investing Activities	<u>(4,464,006)</u>	<u>10,297</u>	<u>(4,453,709)</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(441,212)</u>	<u>(22,720)</u>	<u>(463,932)</u>	<u>-</u>
Cash and Cash Equivalents at Beginning of Year:				
Cash and Cash Equivalents	1,779,941	22,720	1,802,661	-
Restricted Cash and Cash Equivalents	2,459,230	-	2,459,230	-
	<u>4,239,171</u>	<u>22,720</u>	<u>4,261,891</u>	<u>-</u>
Cash and Cash Equivalents at End of Year:				
Cash and Cash Equivalents	2,353,733	-	2,353,733	-
Restricted Cash and Cash Equivalents	1,444,226	-	1,444,226	-
	<u>\$ 3,797,959</u>	<u>\$ -</u>	<u>\$ 3,797,959</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2016

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 1,779,941	\$ 22,720	\$ 1,802,661	\$ -
Investments	7,231,235	-	7,231,235	-
Accounts Receivable, Net of Allowance:				
Customer Accounts	2,225,022	2,196,819	4,421,841	-
Due from Other Funds	116,040	-	116,040	-
Accrued Interest	6,324	-	6,324	-
Prepaid Expenses	17,189	19,327	36,516	-
Inventory	61,718	81,593	143,311	-
<i>Total Current Assets</i>	<u>11,437,469</u>	<u>2,320,459</u>	<u>13,757,928</u>	<u>-</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	2,459,230	-	2,459,230	-
Investments	11,836,539	89,103	11,925,642	-
Capital Assets:				
Land	1,354,138	-	1,354,138	-
Water Rights	70,245	-	70,245	-
Buildings and Improvements	4,653,501	6,500	4,660,001	-
Machinery, Equipment, and Vehicles	2,904,768	2,190,556	5,095,324	-
Infrastructure	85,890,831	-	85,890,831	-
Construction in Progress	2,681,683	-	2,681,683	-
Less: Accumulated Depreciation	<u>(27,643,979)</u>	<u>(1,084,879)</u>	<u>(28,728,858)</u>	<u>-</u>
<i>Total Noncurrent Assets</i>	<u>84,206,956</u>	<u>1,201,280</u>	<u>85,408,236</u>	<u>-</u>
TOTAL ASSETS	<u>95,644,425</u>	<u>3,521,739</u>	<u>99,166,164</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding	95,934	-	95,934	-
Deferred Pension Related Outflows	385,043	601,846	986,889	-
TOTAL DEFERRED OUTFLOWS	<u>\$ 480,977</u>	<u>\$ 601,846</u>	<u>\$ 1,082,823</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2016

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 1,689,425	\$ 107,345	\$ 1,796,770	\$ -
Accrued Liabilities	53,029	119,489	172,518	-
Customer Deposits	569,750	-	569,750	-
Accrued Interest Payable	60,758	1,896	62,654	-
Unearned Revenue	421,587	28	421,615	-
Current Portion of Compensated Absences	21,596	39,767	61,363	-
Current Portion of Long-Term Debt	1,332,556	229,541	1,562,097	-
<i>Total Current Liabilities</i>	<u>4,148,701</u>	<u>498,066</u>	<u>4,646,767</u>	<u>-</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	86,383	159,072	245,455	-
Net Other Post-Employment Benefit Payable	59,634	77,106	136,740	-
Net Pension Liability	1,573,258	2,392,340	3,965,598	-
Long-Term Debt (Net of Current Portion)	<u>10,724,005</u>	<u>582,721</u>	<u>11,306,726</u>	<u>-</u>
<i>Total Noncurrent Liabilities</i>	<u>12,443,280</u>	<u>3,211,239</u>	<u>15,654,519</u>	<u>-</u>
TOTAL LIABILITIES	<u>16,591,981</u>	<u>3,709,305</u>	<u>20,301,286</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	63,821,317	388,914	64,210,231	-
Unrestricted	<u>15,712,104</u>	<u>25,366</u>	<u>15,737,470</u>	<u>-</u>
TOTAL NET POSITION	<u>\$ 79,533,421</u>	<u>\$ 414,280</u>	<u>\$ 79,947,701</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
OPERATING REVENUES				
Fees Charged to Users	\$ 21,948,300	\$ 5,921,223	\$ 27,869,523	\$ -
Charges for Premiums	-	-	-	2,238,559
Other Charges	55,494	-	55,494	-
TOTAL OPERATING REVENUES	<u>22,003,794</u>	<u>5,921,223</u>	<u>27,925,017</u>	<u>2,238,559</u>
OPERATING EXPENSES				
Personnel Services	2,098,088	3,575,258	5,673,346	2,238,559
Contribution to Joint Ventures	2,160,309	-	2,160,309	-
Water Purchase	2,904,693	-	2,904,693	-
Garbage Contractor	4,164,287	-	4,164,287	-
Sewage Treatment	3,640,960	-	3,640,960	-
General and Administrative	2,113,023	453,822	2,566,845	-
Contractual Services	156,524	109,454	265,978	-
Supplies and Maintenance	365,603	543,208	908,811	-
Depreciation	2,238,859	307,406	2,546,265	-
TOTAL OPERATING EXPENSES	<u>19,842,346</u>	<u>4,989,148</u>	<u>24,831,494</u>	<u>2,238,559</u>
OPERATING INCOME (LOSS)	<u>2,161,448</u>	<u>932,075</u>	<u>3,093,523</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	101,828	814	102,642	-
Lease Income	231,045	-	231,045	-
Miscellaneous	119,007	172,169	291,176	-
Interest Expense	(402,384)	(14,962)	(417,346)	-
Amortization and Bond Issue Costs	(24,381)	-	(24,381)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>25,115</u>	<u>158,021</u>	<u>183,136</u>	<u>-</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>2,186,563</u>	<u>1,090,096</u>	<u>3,276,659</u>	<u>-</u>
Transfers In (Out)	32,120	(61,331)	(29,211)	-
Capital Contributions	2,831,126	-	2,831,126	-
CHANGE IN NET POSITION	<u>5,049,809</u>	<u>1,028,765</u>	<u>6,078,574</u>	<u>-</u>
NET POSITION AT BEGINNING OF YEAR	<u>74,483,612</u>	<u>(614,485)</u>	<u>73,869,127</u>	<u>-</u>
NET POSITION AT YEAR END, (Deficit)	<u>\$ 79,533,421</u>	<u>\$ 414,280</u>	<u>\$ 79,947,701</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
Cash Flows From Operating Activities:				
Cash Received From Customers and Users	\$ 22,255,054	\$ 5,143,407	\$ 27,398,461	\$ -
Cash Received from Interfund Services	-	-	-	2,238,559
Cash Paid to Employees for Services	(2,006,979)	(3,405,308)	(5,412,287)	(2,238,559)
Cash Paid to Supplier for Goods & Services	(15,266,110)	(1,142,512)	(16,408,622)	-
Net Cash Provided (Used) by Operating Activities	4,981,965	595,587	5,577,552	-
Cash Flows From Noncapital Financing Activities:				
Cash Advances From/(To) Other Funds	269,373	(191,778)	77,595	-
Net Cash Provided (Used) by Noncapital Financing Activities	269,373	(191,778)	77,595	-
Cash Flows From Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(818,551)	(900,743)	(1,719,294)	-
Interest Paid on Long-Term Debt	(399,534)	(15,648)	(415,182)	-
Transfers from Other Funds for Projects	32,120	-	32,120	-
Principal Paid on Long-Term Debt	(1,189,756)	(259,541)	(1,449,297)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,375,721)	(1,175,932)	(3,551,653)	-
Cash Flows From Investing Activities:				
Purchase of Investments	(2,348,473)	-	(2,348,473)	-
Proceeds From Sale of Investments	-	794,029	794,029	-
Payments from Leases	231,045	-	231,045	-
Interest and Investment Earnings	101,367	814	102,181	-
Net Cash Provided (Used) by Investing Activities	(2,016,061)	794,843	(1,221,218)	-
Net Increase (Decrease) in Cash and Cash Equivalents	859,556	22,720	882,276	-
Cash and Cash Equivalents at Beginning of Year:				
Cash and Cash Equivalents	1,216,648	-	1,216,648	-
Restricted Cash and Cash Equivalents	2,162,967	-	2,162,967	-
	<u>3,379,615</u>	<u>-</u>	<u>3,379,615</u>	<u>-</u>
Cash and Cash Equivalents at End of Year:				
Cash and Cash Equivalents	1,779,941	22,720	1,802,661	-
Restricted Cash and Cash Equivalents	2,459,230	-	2,459,230	-
	<u>\$ 4,239,171</u>	<u>\$ 22,720</u>	<u>\$ 4,261,891</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 1,216,648	\$ -	\$ 1,216,648	\$ -
Investments	4,192,991	-	4,192,991	-
Accounts Receivable, Net of Allowance:				
Customer Accounts	2,305,445	1,246,835	3,552,280	-
Due from Other Funds	385,413	-	385,413	-
Accrued Interest	5,863	-	5,863	-
Prepaid Expenses	350,000	1,950	351,950	-
Inventory	47,754	159,756	207,510	-
<i>Total Current Assets</i>	<u>8,504,114</u>	<u>1,408,541</u>	<u>9,912,655</u>	<u>-</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	2,162,967	-	2,162,967	-
Investments	12,526,310	883,132	13,409,442	-
Capital Assets:				
Land	1,354,138	-	1,354,138	-
Water Rights	70,245	-	70,245	-
Buildings and Improvements	4,653,501	6,500	4,660,001	-
Machinery, Equipment, and Vehicles	2,804,323	1,666,319	4,470,642	-
Infrastructure	82,119,240	-	82,119,240	-
Construction in Progress	2,964,135	-	2,964,135	-
Less: Accumulated Depreciation	(25,465,214)	(1,153,979)	(26,619,193)	-
<i>Total Noncurrent Assets</i>	<u>83,189,645</u>	<u>1,401,972</u>	<u>84,591,617</u>	<u>-</u>
TOTAL ASSETS	<u>91,693,759</u>	<u>2,810,513</u>	<u>94,504,272</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding	127,870	-	127,870	-
Deferred Pension Related Outflows	203,777	305,771	509,548	-
TOTAL DEFERRED OUTFLOWS	<u>\$ 331,647</u>	<u>\$ 305,771</u>	<u>\$ 637,418</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 1,768,983	\$ 204,160	\$ 1,973,143	\$ -
Accrued Liabilities	45,490	104,606	150,096	-
Customer Deposits	522,596	-	522,596	-
Accrued Interest Payable	65,462	2,582	68,044	-
Due to Other Funds	-	130,447	130,447	-
Unearned Revenue	416,911	28	416,939	-
Current Portion of Compensated Absences	20,566	31,259	51,825	-
Current Portion of Long-Term Debt	1,189,756	259,541	1,449,297	-
<i>Total Current Liabilities</i>	<u>4,029,764</u>	<u>732,623</u>	<u>4,762,387</u>	<u>-</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	82,265	125,035	207,300	-
Net Other Post-Employment Benefit Payable	41,137	62,053	103,190	-
Net Pension Liability	1,322,211	1,984,007	3,306,218	-
Long-Term Debt (Net of Current Portion)	12,056,561	812,262	12,868,823	-
<i>Total Noncurrent Liabilities</i>	<u>13,502,174</u>	<u>2,983,357</u>	<u>16,485,531</u>	<u>-</u>
TOTAL LIABILITIES	<u>17,531,938</u>	<u>3,715,980</u>	<u>21,247,918</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Related Inflows	<u>9,856</u>	<u>14,789</u>	<u>24,645</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	59,278,168	347,037	59,625,205	-
Unrestricted, Deficit	15,205,444	(961,522)	14,243,922	-
TOTAL NET POSITION	<u>\$ 74,483,612</u>	<u>\$ (614,485)</u>	<u>\$ 73,869,127</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

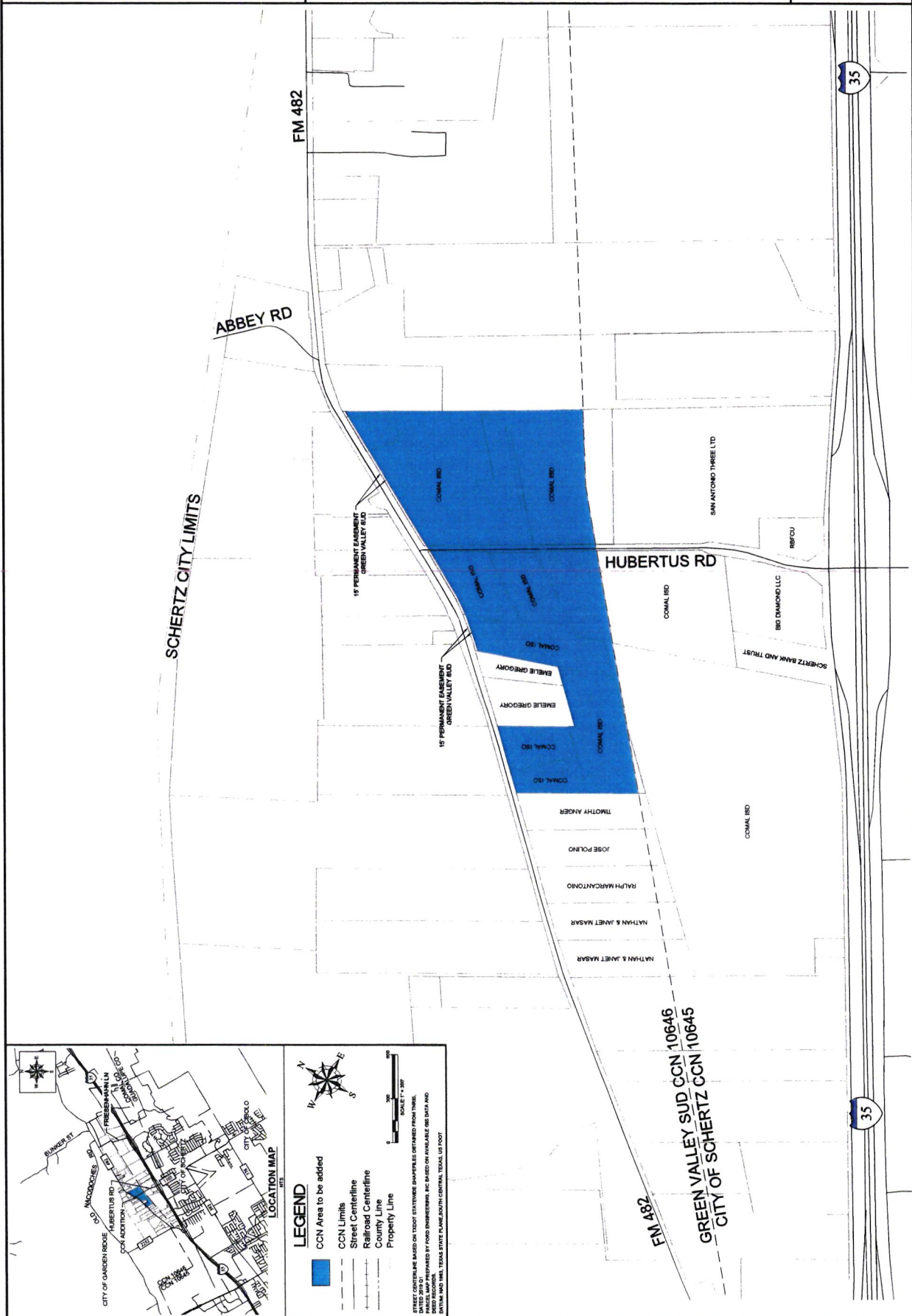
	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
OPERATING REVENUES				
Fees Charged to Users	\$ 20,676,850	\$ 4,415,126	\$ 25,091,976	\$ -
Charges for Premiums	-	-	-	2,088,488
Other Charges	23,519	-	23,519	-
TOTAL OPERATING REVENUES	<u>20,700,369</u>	<u>4,415,126</u>	<u>25,115,495</u>	<u>2,088,488</u>
OPERATING EXPENSES				
Personnel Services	2,072,063	3,335,908	5,407,971	2,088,488
Contribution to Joint Ventures	1,378,081	-	1,378,081	-
Water Purchase	2,982,781	-	2,982,781	-
Garbage Contractor	3,883,243	-	3,883,243	-
Sewage Treatment	3,104,722	-	3,104,722	-
General and Administrative	2,075,569	528,276	2,603,845	-
Contractual Services	135,617	123,299	258,916	-
Supplies and Maintenance	284,521	480,386	764,907	-
Depreciation	2,064,700	219,064	2,283,764	-
TOTAL OPERATING EXPENSES	<u>17,981,297</u>	<u>4,686,933</u>	<u>22,668,230</u>	<u>2,088,488</u>
OPERATING INCOME (LOSS)	<u>2,719,072</u>	<u>(271,807)</u>	<u>2,447,265</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	46,714	1,014	47,728	-
Lease Income	140,636	-	140,636	-
Miscellaneous	120,104	83,991	204,095	-
Interest Expense	(428,912)	(14,805)	(443,717)	-
Amortization and Bond Issue Costs	(30,750)	(17,788)	(48,538)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(152,208)</u>	<u>52,412</u>	<u>(99,796)</u>	<u>-</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>2,566,864</u>	<u>(219,395)</u>	<u>2,347,469</u>	<u>-</u>
Transfers In (Out)	43,703	(1,468)	42,235	-
Capital Contributions	4,158,552	-	4,158,552	-
CHANGE IN NET POSITION	<u>6,769,119</u>	<u>(220,863)</u>	<u>6,548,256</u>	<u>-</u>
NET POSITION AT BEGINNING OF YEAR	<u>68,836,080</u>	<u>1,289,345</u>	<u>70,125,425</u>	<u>-</u>
Prior Period Adjustment	<u>(1,121,587)</u>	<u>(1,682,967)</u>	<u>(2,804,554)</u>	<u>-</u>
NET POSITION AT YEAR END, (Deficit)	<u>\$ 74,483,612</u>	<u>\$ (614,485)</u>	<u>\$ 73,869,127</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

CITY OF SCHERTZ, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer System	Schertz EMS	Total	Internal Service Fund
Cash Flows From Operating Activities:				
Cash Received From Customers and Users	\$ 21,763,703	\$ 4,636,702	\$ 26,400,405	\$ -
Cash Received from Interfund Services	-	-	-	2,088,488
Cash Paid to Employees for Services	(2,056,894)	(3,306,566)	(5,363,460)	(2,088,488)
Cash Paid to Supplier for Goods & Services	(13,859,889)	(1,306,111)	(15,166,000)	-
Net Cash Provided (Used) by Operating Activities	5,846,920	24,025	5,870,945	-
Cash Flows From Noncapital Financing Activities:				
Cash Advances From/(To) Other Funds	547,837	110,660	658,497	-
Net Cash Provided (Used) by Noncapital Financing Activities	547,837	110,660	658,497	-
Cash Flows From Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(2,420,901)	(154,746)	(2,575,647)	-
Interest Paid on Long-Term Debt	(427,092)	(12,947)	(440,039)	-
Transfers from Other Funds for Projects	43,703	-	43,703	-
Proceeds from Bonds Issued	980,000	900,000	1,880,000	-
Bond Issuance Costs Paid	(30,750)	(17,788)	(48,538)	-
Principal Paid on Long-Term Debt	(1,194,755)	(261,207)	(1,455,962)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,049,795)	453,312	(2,596,483)	-
Cash Flows From Investing Activities:				
Purchase of Investments	(3,908,253)	(883,132)	(4,791,385)	-
Payments from Leases	140,636	-	140,636	-
Interest and Investment Earnings	43,965	1,014	44,979	-
Net Cash Provided (Used) by Investing Activities	(3,723,652)	(882,118)	(4,605,770)	-
Net Increase (Decrease) in Cash and Cash Equivalents	(378,690)	(294,121)	(672,811)	-
Cash and Cash Equivalents at Beginning of Year:				
Cash and Cash Equivalents	1,693,211	294,121	1,987,332	-
Restricted Cash and Cash Equivalents	2,065,094	-	2,065,094	-
	<u>3,758,305</u>	<u>294,121</u>	<u>4,052,426</u>	<u>-</u>
Cash and Cash Equivalents at End of Year:				
Cash and Cash Equivalents	1,216,648	-	1,216,648	-
Restricted Cash and Cash Equivalents	2,162,967	-	2,162,967	-
	<u>\$ 3,379,615</u>	<u>\$ -</u>	<u>\$ 3,379,615</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.



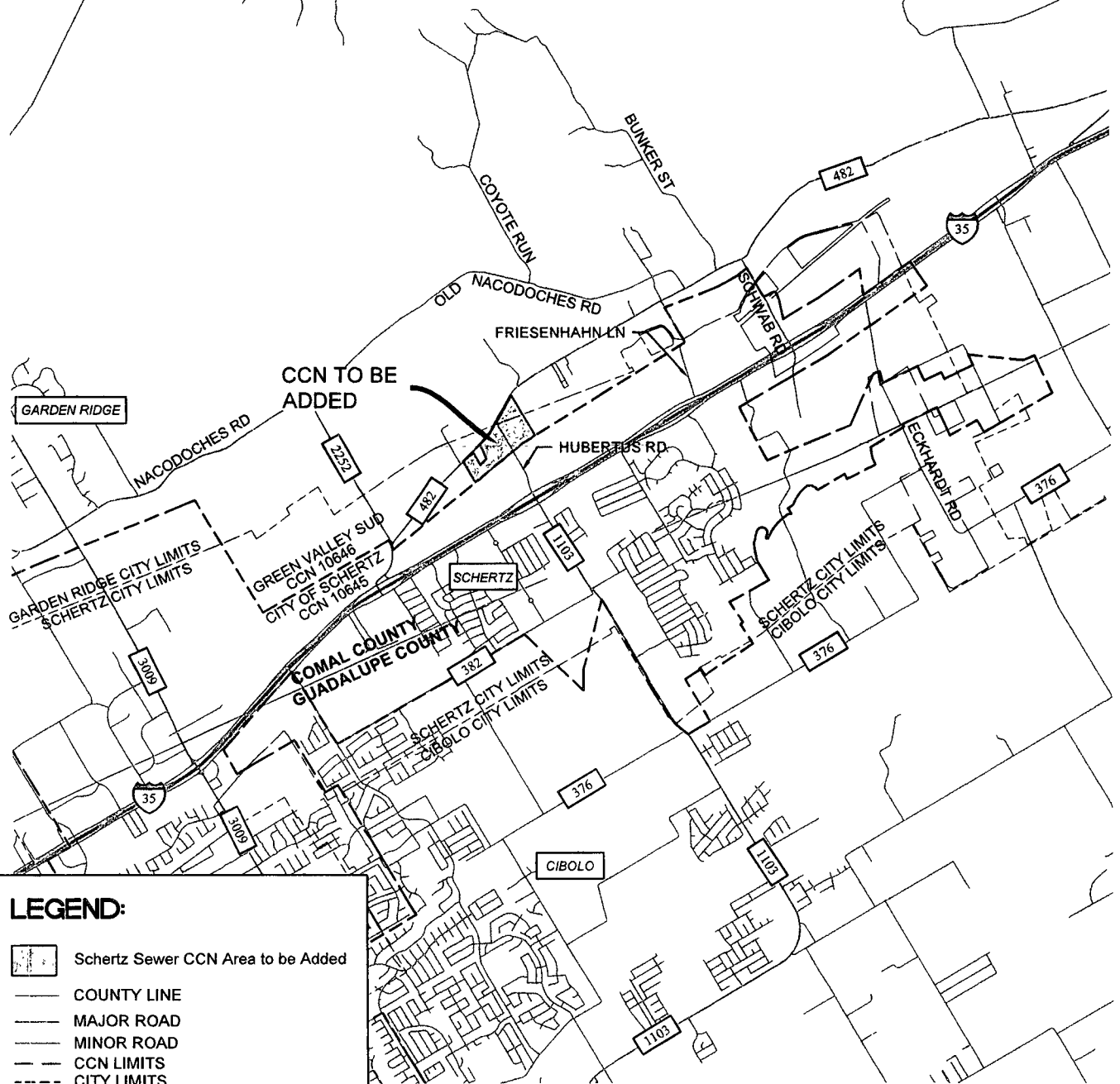
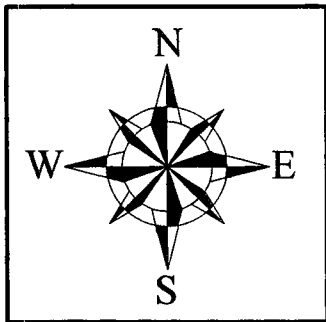
LOCATION MAP

CITY OF GARDEN ROSE, HUBERTUS RD, FREEBORN LN, ABBEY RD, FM 482, CITY OF SCHERTZ, CITY OF GARDEN ROSE, CITY OF SAN ANTONIO, CITY OF DALLAS, CITY OF FORT WORTH, CITY OF AUSTIN, CITY OF HOUSTON, CITY OF SAN ANTONIO, CITY OF DALLAS, CITY OF FORT WORTH, CITY OF AUSTIN, CITY OF HOUSTON.

LEGEND

- CCN Area to be added
- CCN Limits
- Street Centerline
- Railroad Centerline
- County Line
- Property Line

NOTES: PARCELS ARE BASED ON TAXLOT EXTRACTS SHAPFILES OBTAINED FROM TRIMBLE. DATED 2021. PARCELS MAP PREPARED BY FORD ENGINEERING, INC. BASED ON AVAILABLE GIS DATA AND DATUM AND 1983. TEXAS STATE PLANE SOUTH CENTRAL, TEXAS 83 FOOT.



LEGEND:

- Schertz Sewer CCN Area to be Added
- COUNTY LINE
- MAJOR ROAD
- MINOR ROAD
- CCN LIMITS
- CITY LIMITS



FORD ENGINEERING INC.

ENGINEERING SURVEYING PLANNING
10827 WYE DRIVE, STE 104, SAN ANTONIO, TEXAS 78217 * P (210) 590-4777 * F (210) 590-4940
TBPE No. 11623 * WWW.FORDENGINEERING.COM * TBPLS No. 10018400

GENERAL LOCATION MAP

**CITY OF SCHERTZ'S REQUESTED AREAS
FOR WATER CCN 10645
FM 482, NEW BRAUNFELS, TX 78132**

SCALE: 1" = 1 mile
DATE June 1, 2021
PROJECT NO 1124.9413

**INTERLOCAL AGREEMENT FOR
RELEASE OF WATER UTILITY SERVICE AREA**

This Agreement is entered into between Green Valley Special Utility District (Green Valley), a Texas water district and political subdivision, and the City of Schertz (Schertz), a Texas home-rule city for the purpose of exchanging certificated service area containing the site of a proposed public school. This Agreement is entered into with the understanding that public water utility service to the proposed school is a public need and benefit that is unique. This Agreement is not intended to be precedent for future dealings by the parties concerning certificated service area.

In recognition of the consideration and mutual promises exchanged herein, the sufficiency of which is acknowledged for all purposes, Green Valley and Schertz do commit themselves, their successors and assigns to the following:

1. Green Valley agrees to release and transfer to Schertz that territory so designated on attached Exhibit A.
2. Schertz agrees to accept and provide public drinking water and firefighting services to the area to be exchanged as shown on Exhibit A.
3. In recognition of the fact that this Agreement shall require approval by the Public Utility Commission of Texas (PUC) and that there is a significant regulatory approval process in obtaining such permission and approval, Green Valley consents to Schertz constructing water utility facilities inside Green Valley's service area for the purpose of serving the proposed school. Schertz may use such facilities upon completion to meet the potable water and firefighting water needs of the school even if the transfer of the Property has not been finalized by the PUC. It may not use the facilities constructed to the school site to serve other customers, not within the Schertz service area, for compensation. This shall not preclude Schertz from installing a loop system to tie back into the existing Schertz system to insure proper quality and pressure to area serviced, nor shall it preclude Schertz from using the facilities constructed to serve future customers within the subject area once it is included within the Schertz CCN.
4. Schertz shall be responsible for preparing, filing, and prosecuting all applications necessary to obtain the required PUC approval. Green Valley will provide such information and signatures as may reasonably be necessary to accomplish this goal. Green Valley has no objection to Schertz's designating the developer of the surrounding property from which the school site has been severed as the City's agent in obtaining PUC approval. Schertz may require said developer to pay all costs. Green Valley shall incur no cost not otherwise reimbursed by the developer.
5. This Agreement is entered into pursuant to Sections 13.248 and 13.301, Texas Water Code.

6. This Agreement shall be interpreted under the laws of the State of Texas as broadly as necessary to achieve the manifest intent of the parties. Venue over any civil cause arising here from shall be vested in the courts of Guadalupe County, the home county of Green Valley. Venue over any administrative causes shall be vested in the PUC.

7. Green Valley and Schertz agree that no compensation shall be due and owing between Schertz and Green Valley in conjunction with such transfer.

8. Schertz agrees that, upon approval of the revision to its CCN boundaries by the Public Utility Commission to include the Property within the boundaries of its CCN #10645, Green Valley shall have no further obligation to provide retail water service to the Property, and that Schertz shall be solely responsible for the provision of retail water service to the owners and occupants of the Property under such terms and conditions as are allowed under its CCN and any applicable governmental statutes and regulations.

ENTERED INTO AND effective on the last date of signature below.

GREEN VALLEY SPECIAL UTILITY DISTRICT


Dennis Dreyer, President

Date: 8 17 17

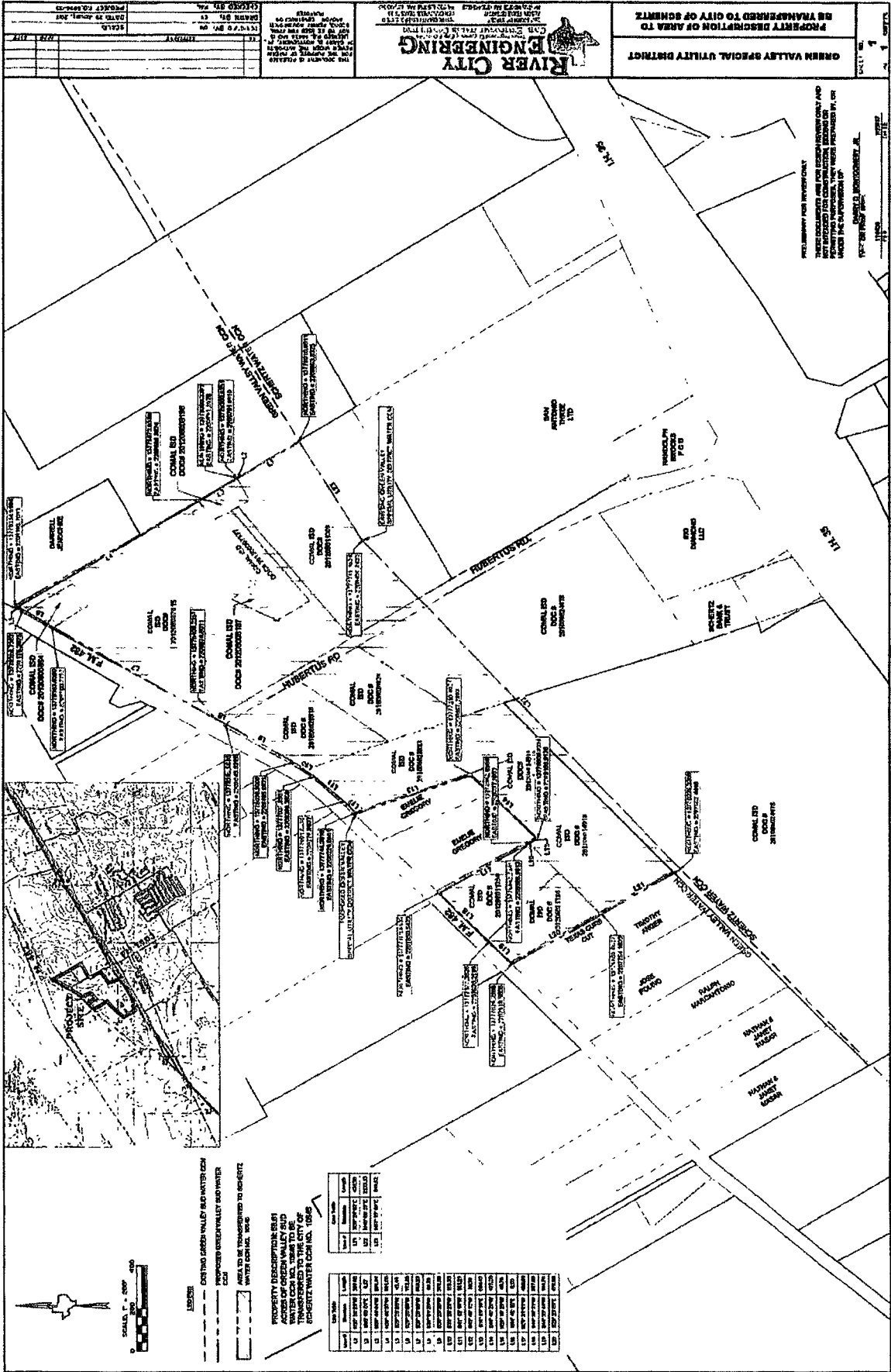
ATTEST:


Secretary, Board of Directors

CITY OF SCHERTZ


John Kessel, City Manager

Date: 9/19/17



Marc A. Ripley

From: Dudley Wait
Sent: Monday, July 10, 2017 10:57 AM
To: Marc A. Ripley
Subject: FW: Schertz Inter Local Agreement Schertz clean version

For the CCN agreement with Comal County ISD.

Dudley

From: Daniel Santee [mailto:daniel.santee@rampage-sa.com]
Sent: Tuesday, June 27, 2017 9:09 AM
To: Dudley Wait
Subject: RE: Schertz Inter Local Agreement Schertz clean version

none

T. Daniel Santee
Attorney



2517 N. Main Avenue
San Antonio, Texas 78212
www.rampagelaw.com

Fax (210) 225-4481
Office (210) 227-3243
daniel.santee@rampage-sa.com

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From: Dudley Wait [mailto:DWalt@schertz.com]
Sent: Thursday, June 22, 2017 5:18 PM
To: Daniel Santee <daniel.santee@rampage-sa.com>; Charles Zech <charles.zech@rampage-sa.com>
Subject: Schertz Inter Local Agreement Schertz clean version

Attached is the final version of the CCN swap with Comal County. We got the language inserted saying we can use the infrastructure for future customers within our CCN.

I believe this is good to go...any concerns?

Dudley

RESOLUTION NO. 17-R-25

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH GREEN VALLEY SPECIAL UTILITY DISTRICT FOR THE EXCHANGE OF CERTIFICATE OF CONVENIENCE AND NECESSITY RELATED TO THE DEVELOPMENT OF SCHOOLS BY THE COMAL COUNTY INDEPENDENT SCHOOL DISTRICT

WHEREAS, the City of Schertz was requested by Green Valley Special Utility District (GVSUD) to provide water service for the development of a middle school and in the future, a high school; and

WHEREAS, the locations of these schools is within the Schertz City Limits and within the boundaries of the GVSUD Certificate of Convenience and Necessity (CCN); and

WHEREAS, the City and GVSUD desire to enter into this agreement pursuant to Section 13.248 of the Texas Water Code that allows an agreed upon exchange of CCN territory; and

WHEREAS, the City staff believes it would be beneficial to the City of Schertz to acquire this CCN from GVSUD and provide water service for the Comal County ISD; and

WHEREAS, the City Council has determined that it is in the best interest of the City to acquire this CCN territory from GVSUD and provide water service to CCISD; therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS THAT:

Section 1. The City Council hereby authorizes the City Manager to enter into an agreement with GVSUD for the exchange of GVSUD CCN to provide water to the Comal County ISD school sites for drinking and fire protection.

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application

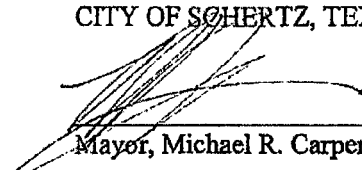
of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this 27th day of June, 2017.

CITY OF SCHERTZ, TEXAS



Mayor, Michael R. Carpenter

ATTEST:



City Secretary, Brenda Dennis

(CITY SEAL)