

**I. Call to Order - Pledge of Allegiance - Roll Call**

**II. Announcements - Chairperson**

- A.** The Regular Meeting scheduled for October 24, 2018 was cancelled.
- B.** This is a Special Meeting for the purpose of presenting the proposed 2019 Budgets for Capital Region Water and to conduct any other business that has come before the Board. The meeting was previously scheduled for November 15, 2018 at 5:00 PM but was rescheduled to November 20, 2018 at 5:00 PM. Public Notices of these meetings were advertised in accordance with the Sunshine Law. The Advertisements will be attached to the Minutes as Exhibits "A" and "B".
- C.** The next Regular Meeting is scheduled for Wednesday, November 28, 2018 at 6:00 PM in the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania, and is open to the public.

**III. Presentations**

- 2019 Draft Budgets
- Administration Budget
- Drinking Water Budget
- Wastewater Budget

**IV. Modifications or Deletions to the Agenda**

**V. Public Comment - Agenda Items (3 Minutes)**

**VI. Public Comment - Non Agenda Items (3 Minutes)**

**VII. Board Member Comments**

**VIII. Adjournment**

**DRINKING WATER FUND**

**2019 OPERATING BUDGET - CONSOLIDATED**

**DRAFT**

	<b>FY19 Proposed Budget</b>	<b>FY18 Adopted Budget</b>	<b>FY18 Estimated Actuals</b>	<b>Variance FY19 Budget to FY18 Budget</b>	<b>Variance FY19 Budget to FY18 Est. Actual</b>		
<b>Operating Income</b>							
City Rate Revenue	\$ 20,531,062	\$ 20,100,440	\$ 20,128,492	\$ 430,622	2%	\$ 402,570	2%
Suburban Rate Revenue	3,133,012	3,071,580	3,071,580	61,432	2%	61,432	2%
Other Rate Revenue	1,109,899	1,068,703	1,110,123	41,196	4%	(224)	0%
Penalties	500,000	500,000	647,931	-	0%	(147,931)	-23%
Operations/Misc Income	603,483	650,000	480,683	(46,517)	-7%	122,800	26%
Other Income	31,500	31,500	154,484	-	0%	(122,984)	-80%
Interest Income	164,000	19,380	153,212	144,620	746%	10,788	7%
<b>Total Operating Income</b>	<b>\$ 26,072,956</b>	<b>\$ 25,441,603</b>	<b>\$ 25,746,504</b>	<b>\$ 631,353</b>	<b>2%</b>	<b>\$ 326,452</b>	<b>1%</b>
<b>Operating Expenses</b>							
Personnel	\$ 3,230,378	\$ 3,216,959	\$ 3,006,357	\$ 13,419	0%	\$ 224,021	7%
Operating Expenses	2,694,319	2,207,981	2,049,338	486,338	22%	644,981	31%
Indirect/Professional Fee	492,695	616,649	441,469	(123,954)	-20%	51,226	12%
Administrative Fee	3,175,648	3,010,240	2,803,559	165,408	5%	372,089	13%
Debt Service	10,800,883	10,776,271	10,199,116	24,612	0%	601,767	6%
<b>Total Operating Expense</b>	<b>\$ 20,393,923</b>	<b>\$ 19,828,100</b>	<b>\$ 18,499,839</b>	<b>\$ 565,823</b>	<b>3%</b>	<b>\$ 1,894,084</b>	<b>10%</b>
<b>Operating Income (Loss) *</b>	<b>\$ 5,679,033</b>	<b>\$ 5,613,503</b>	<b>\$ 7,246,665</b>				
Appropriated to Capital Paygo	5,679,033	5,000,000	4,968,988				
Appropriated to Reserves	-	613,503	2,277,677				

**2019 CAPITAL BUDGET - CONSOLIDATED**

**DRAFT**

<b>Funding Source</b>	<b>FY19 Proposed Budget</b>	<b>FY18 Adopted Budget</b>	<b>FY18 Estimated Actuals</b>	<b>Variance FY19 Budget to FY18 Budget</b>	<b>Variance FY19 Budget to FY18 Est. Actual</b>		
Current Yr Revenue	\$ 5,679,033	\$ 5,000,000	\$ 4,968,988	\$ 679,033	14%	\$ 710,045	14%
Use of Cash Reserves	2,613,900			2,613,900		2,613,900	
New Debt		3,054,178		(3,054,178)	-100%	-	
Grants	200,000	812,622	345,000	(612,622)	-75%	(145,000)	-42%
<b>Total Funding</b>	<b>\$ 8,492,933</b>	<b>\$ 8,866,800</b>	<b>\$ 5,313,988</b>	<b>\$ (373,867)</b>	<b>-4%</b>	<b>\$ 3,178,945</b>	<b>60%</b>
<b>Capital Expenses</b>							
Capital Improvement	\$ 7,078,933	\$ 8,449,610	\$ 5,100,947	\$ (1,370,677)	-16%	\$ 1,977,986	39%
Capital - Operations	1,414,000	417,190	213,041	996,810	239%	1,200,959	564%
<b>Total Capital Expense</b>	<b>\$ 8,492,933</b>	<b>\$ 8,866,800</b>	<b>\$ 5,313,988</b>	<b>\$ (373,867)</b>	<b>-4%</b>	<b>\$ 3,178,945</b>	<b>60%</b>



WASTEWATER FUND

2019 OPERATING BUDGET - CONSOLIDATED  
DRAFT

	FY19 Proposed Budget	FY18 Adopted Budget	FY18 Estimated Actuals	Variance FY19 Budget to FY18 Budget		Variance FY19 Budget to FY18 Est. Actual	
<b>Operating Revenue</b>							
City Rate Revenue	\$ 11,365,868	\$ 9,951,366	\$ 10,379,788	\$ 1,414,502 14%	\$	986,080 9%	
Suburban Rate Revenue	8,962,368	9,033,085	9,033,085	(70,717) -1%		(70,717) -1%	
Penalties	275,000	275,000	277,356	- 0%		(2,356) -1%	
Operations/Misc Income	780,000	415,500	814,791	364,500 88%		(34,791) -4%	
Interest Income	100,000	60,673	196,195	39,327 65%		(96,195) -49%	
<b>Total Operating Revenue</b>	<b>\$ 21,483,236</b>	<b>\$ 19,735,624</b>	<b>\$ 20,701,215</b>	<b>\$ 1,747,612 9%</b>	<b>\$</b>	<b>782,021 4%</b>	
<b>Operating Expenses</b>							
Personnel	\$ 4,344,288	\$ 4,205,421	\$ 3,892,361	\$ 138,867 3%	\$	451,927 12%	
Operating Expenses	4,188,144	4,051,311	3,986,227	136,833 3%		201,917 5%	
Indirect/Professional Fee	718,200	926,657	699,460	(208,457) -22%		18,740 3%	
Administrative Fee	3,301,104	3,127,864	2,917,991	173,240 6%		383,113 13%	
Debt Service	4,908,132	4,936,630	4,163,373	(28,498) -1%		744,759 18%	
<b>Total Operating Expense</b>	<b>\$ 17,459,868</b>	<b>\$ 17,247,883</b>	<b>\$ 15,659,412</b>	<b>\$ 211,985 1%</b>	<b>\$</b>	<b>1,800,456 11%</b>	
<b>Operating Income (Loss)</b>	<b>\$ 4,023,368</b>	<b>\$ 2,487,742</b>	<b>\$ 5,041,804</b>	<b>\$ 1,535,627 62%</b>	<b>\$</b>	<b>(1,018,435) -20%</b>	
Appropriated to Capital Paygo	\$ 4,023,368	\$ 2,487,742	\$ 4,546,029				
Appropriated to Reserves	\$ -	\$ -	\$ 495,775				

2019 CAPITAL BUDGET - CONSOLIDATED  
DRAFT

	FY19 Proposed Budget	FY18 Adopted Budget	FY18 Estimated Actuals	Variance FY19 Budget to FY18 Budget		Variance FY19 Budget to FY18 Est. Actual	
<b>Funding Source</b>							
Current Yr Revenue	\$ 4,023,368	\$ 2,487,742	\$ 4,546,029	\$ 1,535,626 62%	\$	(522,661) -11%	
Use of Cash Reserves	476,632	1,512,258	-	\$ (1,035,626) -68%		476,632	
PENNVEST	6,814,814	10,700,586	5,910,488	(3,885,772) -36%		904,326 15%	
Bond Reserves (2017 Series)	8,664,194	16,331,194	7,667,000	(7,667,000) -47%		997,194 13%	
New Debt	11,204,125			11,204,125		11,204,125	
Impact Harrisburg		1,955,515		(1,955,515) -100%		-	
<b>Total Funding</b>	<b>\$ 31,183,133</b>	<b>\$ 32,987,295</b>	<b>\$ 18,123,517</b>	<b>\$ (1,804,162) -5%</b>	<b>\$</b>	<b>13,059,616 72%</b>	
<b>Capital Expenses</b>							
Capital Improvement	\$ 29,952,683	\$ 32,277,295	\$ 17,581,760	\$ (2,324,612) -7%	\$	12,370,923 70%	
Capital - Operations	1,230,450	710,000	541,757	520,450 73%		688,693 127%	
<b>Total Capital Expense</b>	<b>\$ 31,183,133</b>	<b>\$ 32,987,295</b>	<b>\$ 18,123,517</b>	<b>\$ (1,804,162) -5%</b>	<b>\$</b>	<b>13,059,616 72%</b>	



ADMIN FUND

2019 OPERATING BUDGET - CONSOLIDATED

DRAFT

	FY19 Proposed Budget	FY18 Adopted Budget	FY18 Estimated Actuals	Variance FY19 Budget to FY18 Budget		Variance FY19 Budget to FY18 Est. Actual		
<b>Administrative Income</b>								
Water Administrative Fee	\$ 3,171,648	\$ 3,010,240	\$ 2,803,559	\$ 161,408	5%	\$ 368,089	13%	
Wastewater Administrative Fee	3,301,104	3,127,864	2,917,991	173,240	6%	383,113	13%	
Interest Income	11,068	11,150	9,979	(82)	-1%	1,089	11%	
<b>Total Administrative Income</b>	<b>\$ 6,483,820</b>	<b>\$ 6,149,254</b>	<b>\$ 5,731,529</b>	<b>\$ 334,566</b>	<b>5%</b>	<b>\$ 752,291</b>	<b>13%</b>	
<b>Operating Expenses</b>								
Personnel	\$ 4,663,997	\$ 4,583,813	\$ 4,110,898	\$ 80,184	2%	\$ 553,099	13%	
General & Administrative	664,924	708,526	605,823	(43,602)	-6%	\$ 59,101	10%	
Professional Services	532,760	381,665	417,545	151,095	40%	\$ 115,215	28%	
Treasury	502,139	431,250	522,263	70,889	16%	\$ (20,124)	-4%	
Capital (CSC Improvements)	120,000	44,000	75,000	76,000	173%	\$ 45,000	60%	
<b>Total Operating Expense</b>	<b>\$ 6,483,820</b>	<b>\$ 6,149,254</b>	<b>\$ 5,731,529</b>	<b>\$ 258,566</b>	<b>4%</b>	<b>\$ 707,291</b>	<b>12%</b>	
<b>Operating Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 76,000</b>		<b>\$ 45,000</b>		