

North Hays County ESD 1
FY2019 Budget
Final
Approved September 21, 2018

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FY2019 Budget Summary

1. Peak-time Unit. A peak-time unit will be added in February 2019 to maintain the current level of service.
2. Property Tax Revenue. Based on Line 37, "2018 total taxable value" in 2018 Tax Rate Calculation Worksheet, \$5,578,667,349 at a tax rate of \$0.03/\$100. Projected tax revenue is \$1,673,600.
3. Sales Tax Revenue. Annual sales tax collection from Sales Tax Historical Data & Projections of \$698,874 adjusted for Dec '18-Sep '19 is \$582,395. Source, <https://mycpa.cpa.state.tx.us/allocation/CtyCntyAllocResults>.
4. Expenses. Contract for EMS services with SMHC EMS will be \$ 1,408,420. ESD operating expenses, including District Administrator and Administrative Assistant, will be \$364K of which \$53K are non-recurring, one-time expenses.
5. Capital additions. Capital expenses of \$402K include remounting one ambulance and installing a Power-LOAD on the fourth unit so that all units will be so equipped.
6. Allocation from Unrestricted Funds from Preceding Year (FY2018). Total unreserved funds at the end of FY2018 are projected to be \$377K.
7. Funding for Emergency and Oct-Dec Reserve Funds. \$176K is allocated to the Emergency Reserve Fund to maintain it at four months operating expenses and \$84K to the Oct-Dec Reserve Fund for three months.
8. Excess/Shortfall. At year-end there will be an unreserved excess of \$166K.

FY2019 BUDGET

<u>Line</u> <u>Item #</u>	<u>Income/Expense Category</u>	<u>Budgeted Amount, \$</u>	<u>Note</u>
Ordinary Income/Expense			
Income			
1	4000 · Property Tax Revenue - NHESD 1	1,673,600	[1]
2	4009 · Tax Revenue Refunds	0	[2]
3	Sales Tax Revenue	582,395	[3]
4	Total Income	\$2,255,995	
Cost of Goods Sold			
5	5000 · Contract - EMS	1,408,420	[4]
6	ESD-CEO/Administrator	85,000	[5]
7	Total COGS	\$1,493,420	
Gross Profit			
Other Expense			
8	6245 · Miscellaneous Exp	6,000	[6]
9	Records Retention Project	5,000	[7]
10	6410 · Repair/Maint - Building	21,000	[8]
11	6080 · Appraisal District Fees Exp	12,100	[2]
12	6541 · Utilities - Electric	8,379	[9]
13	6042 · Auditing	5,723	[10]
14	6040.1 · Accounting Services	8,798	[10]
15	Administrative assistant.	24,960	[11]
16	6040.3 · Payroll Services	3,663	[10]
17	6180 · Insurance -Building	5,416	[12]
18	6225 · Legal Fees Exp	8,668	[10]
19	6340 · Telephone/Communications Exp	2,897	[10]
20	6535 · Travel Exp	6,000	[13]
21	6412 · Repair/Maint - Equipment	17,835	[10]
22	6160 · Dues and Subscriptions Exp	1,300	[2]
23	6543 · Utilities - Gas	855	[14]
24	6542 · Utilities - Water	533	[15]
25	6050 · Advertising Exp	5,276	[10]
26	6260 · Office Exp	5,958	[10]
27	6355 · Postage Exp	54	[10]
28	6230 · Licenses and Permits Exp	60	[2]
29	6120 · Bank Service Charges Exp	50	[16]
30	US290 East Location Rent	39,600	[17]
31	Agreement	20,000	[18]
32	Opticom lease	13,200	[19]
33	Website & social media maintenance	3,600	[20]

FY2019 BUDGET

<u>Line</u>	<u>Income/Expense Category</u>	<u>Budgeted Amount, \$</u>	<u>Note</u>
34	Sales Tax Management Expense	52,416	[21]
35	Total Other Expense	\$279,340	
Short Term Projects Exp			
36	Implementation of Sales Tax Collection	15,000	[22]
37	New EMS Contract & RFP Process	38,000	[23]
38	Total Short Term Projects Exp	\$53,000	
39	Total Expenses	\$1,825,760	
Net Ordinary Income			
Other Income/Expense			
Other Income			
40	8020 · Gain on Sale of Asset	0	
41	8000 · Interest Earned	20,000	[2]
42	8100 · Miscellaneous Income	0	[2]
43	XXXX · Unrestricted Funds, FY2018 Carryover	377,416	[24]
44	Total Other Income	\$397,416	
Other Expense			
45	6950 · Capital additions	402,000	[25]
46	6952 · Transfers from reserve fund	0	
47	6150 · Depreciation Expense	0	
48	Total Other Expense	\$402,000	
Net Other Income			
49	Net Expenses	\$2,227,760	
50	Net Income	\$2,653,411	
51	Excess/Shortfall without Reserve Allocations	425,651	
Allocation to Reserve Funds			
52	Reserved Fund - Oct-Dec 2019 Operating Short fall	84,000	[26]
53	Reserved Fund - Emergency Fund	176,000	[27]

FY2019 BUDGET

Line Item #	Income/Expense Category	Budgeted Amount, \$	Note
Adjusted Expense & Income			
54	Net Expenses	\$2,487,760	
55	Net Income	\$2,653,411	
56	Excess/Shortfall for FY2019	165,651	
Allocation of Funds Balance From End of FY2018.			
57	Projected FY2018 Year-End Balance (Aug, 2018)	1,300,416	[28]
58	From LRP for FY2019 Expenses.	423,000	[29]
59	Reserved, Emergency	500,000	[30]
60	Unreserved Funds, FY2018 carryover to FY2019.	377,416	

Budget Notes

- [1] Based on Line 37, "2018 total taxable value" in 2018 Tax Rate Calculation Worksheet, \$5,578,667,349 at a tax rate of \$0.03/\$100. Projected tax revenue is \$1,673,600.
- [2] No change from FY2018.
- [3] Annual sales tax revenue from Sales Tax Historical Data & Projections of \$698,874 per year adjusted for Dec '18-Sep '19 is \$582,395. Figures based on ESD 6 2018 sales tax revenue with Driftwood revenue subtracted.
- [4] Contract amount for FY2019 is \$1,089,945 for two full time units, see SMHC EMS Contract Section 7.1.c. This amount is adjusted for addition of a peak time unit.
- [5] Includes salary, expenses and all benefits as projected when district administrator hired in August, 2016. No increase in FY2019.
- [6] Estimated at \$500/mo. with addition of a peak-time unit and rental at 290E.
- [7] Implementation cost to comply with statutory records retention requirements.
- [8] \$500/mo. routine expenses. \$15K to replace carpet in crews' quarters. While problems have been encountered with the waste line under the building, regular cleaning should prevent back-ups. Cost to replace the line and connect to the city sewer is estimated at \$50k and will not be done.
- [9] Expenses increased over FY2018 by 1/3 to accommodate new 290E location with 5% overall increase.
- [10] 5% increase over FY2018.
- [11] Increased to \$20 per hour. (Was 6040.2 - Office Services in FY2018 Budget)
- [12] Annual bill for VFIS with 5% increase plus \$882 for 290E location plus 5%.
- [13] Substantial increase over FY2018 due to anticipated attendance of commissioners at the 2019 SAFE-D Conference in
- [14] Expenses increased over FY2018 by 50% to accommodate new 290E location with 5% overall increase.
- [15] 5% increase over FY2018. No expenses included for 290E since it is on a well.
- [16] Wire transfers or other unanticipated expenses.
- [17] Lease at \$3,300/mo.
- [18] Early stage preliminary expenses. Legal (\$5K), shared architect (\$5K), misc. expenses (\$10K)
- [19] Nine intersections. \$900/mo, NHCFR shares cost at \$900/mo. Vehicle cost, 2X\$100/mo.
- [20] Expenses to cover work by a contractor. \$300/mo.
- [21] Contract calls for a monthly recovery fee (30%) on additional revenue. Contract will begin in Feb with recovery of 30% additional revenue of \$444K * 30% fee. Upfront expenses are included in Line Item 37 below.
- [22] Legal, \$5K; Sales Tax Assurance, \$6k; Huckaby, \$0K; Misc., \$4K.
- [23] Cost for last RFP was \$34,600 with 10% anticipated increase for FY2019.
- [24] From Line Item 60, Unreserved Funds, FY2018 carryover to FY2019.
- [25] Remount plus Power-Load w Power-PRO cot on 570, \$250K and Power-Load on 572, \$32K. \$120K is allocated for equipment for a unit that is being transitioned to active reserve. This is a carryover item that was budgeted for FY2018 and not expended.
- [26] FY2020 monthly operating expenses projected at \$169K, 3 mo. = \$507K. After Line Item 60 allocation, this amount needed to provide total allocation.
- [27] FY2020 monthly operating expenses projected at \$169K, 4 mo. = \$676K. After Line Item 60 allocation, this amount needed to provide total allocation.
- [28] Year-End Projection for Total Cash Balance (Line 9, \$1,240K) from August, 2018 Treasurer's Report plus capital expenses for ambulance equipment (\$90K) that is included in the projection as an expense that will not be spent in FY2018. Year-End Balance is also reduced by \$30K for a utility vehicle to be purchased in Sep 2018.
- [29] Amount allocated to the Oct-Dec Reserve from preceding year's Year-End Balance, Line 57. For FY2020 this amount will be the sum of this line item plus line item 52.
- [30] Amount allocated to the Emergency Reserve from preceding year's Year-End Balance, Line 57. For FY2020 this amount will be the sum of this line item plus line item 53.