

*AMENDED
ANNUAL BUDGET
OF THE
SAN ANTONIO WATER SYSTEM*

FISCAL YEAR ENDING
2004

Prepared by:

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Executive Summary

The San Antonio Water System's (SAWS) Amended Annual Budget has been prepared in accordance with requirements of City Ordinance No. 75686. The Amended Annual Budget is designed to present a comprehensive projection of the operation of the System during the year from January 1, 2004 through December 31, 2004. As such, included in this transmittal is the operating budget as required by Ordinance 75686. SAWS prepares budgets and forecasts on an annual basis, using Generally Accepted Accounting Principals (GAAP) and a modified accrual basis of accounting.

Introduction

The purpose of this document is to demonstrate a plan of finance for SAWS' System Fund. The 2004 Amended Annual Budget presents a financial plan designed to meet the operational objective of continuing to provide the highest quality service to our customers at the lowest feasible cost. This budget balances revenue requirements with available revenues and other funding sources in order to provide for the operation and maintenance of existing production, collection, distribution, and treatment facilities. In addition, the budget addresses the planning and development of additional water resources and infrastructure to accommodate growth. The budget also provides for servicing all outstanding debt and new debt service for approved capital improvements programs for 2004.

In addition to the System Fund, there are other funds utilized in the operation of the utility and defined by the Ordinance that created the

System, such as the Debt Service Fund, the Reserve Fund, the Project Fund and the Renewal and Replacement Fund. The plan of finance outlined in this document is the guidance under which these funds will be operated.

Fund Description

The System Fund is used to operate and maintain the utility. It has a defined flow of funds, including required

contributions to other defined Funds. The Debt Service Fund contains the principal and interest amounts required to service the debt of the System. The Reserve Fund was established by Ordinance to house the required contributions to the reserve for the bonded debt. The Ordinance, however, allows for a surety policy to be issued in place of the reserve requirement, which SAWS has opted to issue. The Project Fund houses the funds from the debt instruments utilized by the System, including senior, junior, and subordinate lien bonds, tax exempt commercial paper, and variable rate demand obligations. The Renewal and Replacement Fund is the receiver of the excess flow of the System Funds. It is primarily used to pay for short and long term capital assets.

Background

In April 2003, SAWS began a cost of service and rate design study, as the 2004 Financial Plan indicated that rate adjustments were required to provide adequate funding for the Water Delivery and Wastewater core businesses. As Ordinance No. 75686 requires SAWS to pass an annual budget within 60 days of the subsequent year, on October 21, 2003, the Board of Trustees approved an interim annual budget of the Fiscal Year ending December 31, 2004. This budget included all requirements for the Water Supply core business, but only those requirements that could be funded within the now former rate structures for the Water Delivery and Wastewater core businesses.

On February 12, 2004, the City Council approved revised water and wastewater rates that became effective on March 1, 2004 and were reflected on water and sewer bills beginning in April 2004. The revised rates are projected to generate additional annual revenues sufficient to meet all requirements for the 2004 fiscal year. Therefore, a budget amendment was necessary to reflect the full cost of operations. On May 18, 2004 the Board of Trustees approved the 2004 Amended Annual Budget of \$278 million, which includes the prorated impact of the new rates for the Water Supply, Water Delivery and Wastewater core business.

Highlights

The 2004 Amended Budget \$278.5 million supports \$167 million for operation and maintenance expense, \$2.7 million for operating reserve requirements, \$79.9 million for debt service, \$7.1 million for city payment, and \$23.8

million of transfers to the renewal and replacement fund.

In the development of this plan, SAWS faced two major challenges that will continue to impact the budgeting process into the future: water resource development and aging infrastructure. These issues influence rate development, resource allocation, and affordability concerns. It became apparent that SAWS' previous budget and planning processes were inadequate and would need improvement to address these challenges.

As such SAWS undertook a major initiative to begin aligning its budget with the goals, objectives and strategies set forth in the Strategic Business Plan. This was the first step in a multi-year development process to define the activities of the utility and link them to the corporate strategic goals. The entire management team participated, from the CEO to front-line managers.

It was important for SAWS to take this first step to incorporate the budget into the strategic plan to ensure limited resources are allocated only to activities that support the core mission.

Some key projects that will help SAWS accomplish its objectives are the Aquifer Storage and Recovery project, the infrastructure master plan, and the realignment of the treatment plant operations and permits; hence, they were included in the 2004 operations and maintenance budget and the capital improvements program.

Other assumptions used in the development of the plan include normal rainfall, customer growth of just under 2%, inflation estimates of 3%, long-term interest rates of 5.25%, and short-term interest rates of 1.4%.

The resulting revenue forecast for 2004 is 7.9% greater than the 2003 forecast. This reflects the prorated rate increases on all major core businesses. The revenue forecast also assumes full recovery of the Edwards Aquifer Authority (EAA) fee assessed on water pumped from the aquifer. SAWS has elected to assess a pass-through fee totaling \$6.0 million, which is adjusted annually to reconcile to contracted pumpage.

The financial plan also includes a comprehensive debt management strategy. The debt portfolio will include no more than 25% variable rate instruments and will continue to utilize the Texas Water Development Board for qualified projects. The financial plan provides for servicing all outstanding debt and new debt service for approved capital improvements programs and assumes the following debt transactions in the second quarter, 2004:

- conversion of \$101 million of commercial paper notes to long-term debt and issuance of \$97 million in new commercial paper notes
- Issuance of \$85 million in senior lien bonds, \$37 million in junior lien bonds, and \$60 million in subordinate lien debt.

The requirements of revenues are \$9.3 million more than the interim budget approved in October 2003. Included are:

- additional operating and maintenance expenses of \$7.6 million, associated with infrastructure improvements, technology upgrades and increased cost of operation
- debt service and Ordinance requirements on \$88 million of the \$110 million necessary capital investments, totaling \$3.7 million
- increased city payment of \$0.2 million.
- increased other requirements of \$1.3 million
- decreased capital outlay requirements of \$3.3 million

The financial plan estimates a maximum senior lien debt coverage ratio of 1.4 times, which meets the minimum requirement of 1.25 times.

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Revenues

San Antonio Water System revenues are derived directly or indirectly from operation of the Water Supply, Water Delivery, Wastewater, and Chilled Water & Steam systems. SAWS operations are not supported by tax assessments nor are they subsidized by state or federal programs.

SAWS receives two types of revenues, operating and non-operating, with the majority of coming

from operating sources. The operating revenues of the System are generated through major rates and miscellaneous charges.

Revenue Discussion & Analysis

Over the last 10 years, the average use per bill for all rate classes has dropped dramatically. This is due in part to the extraordinary communication and programmatic efforts of the Conservation Department.

The table below summarizes the Operating and Non-Operating Revenues.

	2004 Amended	2004 Approved	2003 Approved
OPERATING REVENUES			
Water Supply	\$ 81,329,430	\$ 84,650,647	\$ 80,854,334
Water Delivery	76,116,739	72,780,417	64,444,025
Wastewater System	96,314,694	86,971,880	88,150,344
Chilled Water & Steam System	12,213,849	12,188,505	11,598,100
	<u>265,974,712</u>	<u>256,591,449</u>	<u>245,046,803</u>
NONOPERATING REVENUES			
Interest Earned & Miscellaneous	7,650,000	7,650,000	8,209,671
Other Financing Sources	4,867,375	4,979,176	4,800,088
TOTAL REVENUES	<u>\$ 278,492,087</u>	<u>\$ 269,220,625</u>	<u>\$ 258,056,562</u>

Water Supply

On January 1, 2001, the Water Supply Core Business began collecting the Water Supply Fee, which was approved by City Council in the Fall of 2000. This fee was designed to generate monies to fund activities related to the development and protection of water resources. With the implementation of the fourth increment, the Water Supply Fee is estimated to produce \$54.7 million in revenues in 2004.

Conservation provides another source of revenue for the Water Supply Core Business. A portion of metered water sales is designated for conservation activities and is estimated to be \$6.6 million for 2004.

Water Delivery

Water Delivery revenues are derived largely from metered water sales, which are estimated to total \$81.2 million in 2004 and are 29.2% of SAWS' total revenue. The revenue projection reflects a rate adjustment for Water Delivery customers effective March 1, 2004.

Key assumptions factored into the revenue projections are an increase in customers at an annual rate of approximately 2% and successful conservation awareness programs that continue to reduce use per bill at rate of about 2.5%. The resulting revenue forecast, excluding rate changes, is flat.

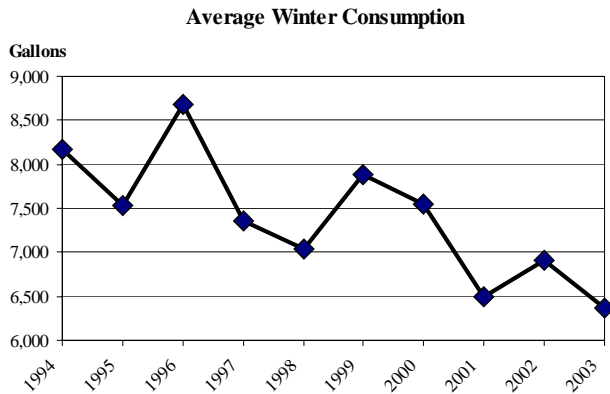
Additionally, the projections reflect an inter-company allocation from Water Delivery to Water Supply totaling nearly \$8.3 million and to Wastewater totaling \$0.3 million. Prior to the establishment of the Water Supply Fee, Water Delivery revenues funded certain Water Supply activities, and the continuation of this funding was assumed in the development of the Water Supply Fee. Other operating revenues of the Water Delivery core business total \$3.7 million and account for 1.4% of all revenues.

Wastewater

A major portion of sewer revenues is derived from the collection and treatment of domestic, commercial, and industrial sewage. The sewer service charges are projected to be \$90.4 million and comprise approximately 32.5% of total SAWS revenues. Also included in sewer revenues are industrial waste surcharge fees, projected at \$4.2 million, or 1.5% of total revenues. The revenue projections reflect an increase in customers at an annual rate of approximately 2%, rate adjustments for Wastewater customers effective March 1, 2004, and an increase to the industrial waste surcharge rate in 2003 that is expected to increase revenues about \$1 million annually.

Wastewater revenues also reflect a projected decrease in the Average Winter Consumption (AWC) on which residential accounts are billed.

The AWC has been declining dramatically over



the last decade in part due to wetter than average winters and also due to increased public service messages about the winter averaging method and measurement period

Chilled Water & Steam

Chilled Water and Steam revenues for 2004 are projected at \$12.2 million, or 4.4% of total revenues.

This includes expected revenues of \$6.7 million from the downtown system, \$4.6 million from Kelly USA, and \$0.8 million from Brooks Air Force Base.

Currently, the San Antonio Water System owns the facilities for the downtown service area and the assets at KellyUSA. SAWS entered into a time and materials agreement with Brooks AFB to operate and maintain the facility while the fate of the base operation is not clear.

Non-Operating Revenue

Non-operating revenues are primarily earnings on investments of available cash

funds. The estimated non-operating revenue for 2004 totals \$7.6 million or 2.7% of total revenues for 2004. Accumulated Conservation funds totaling \$4.2 million will augment Conservation revenues expected to be collected during 2004 and will be used for specific conservation programs.

2004 AMENDED BUDGET

Revenues

A breakdown of SAWS' operating and non-operating revenues and their projected amounts for 2004 are presented below as grouped by core business.

OPERATING REVENUES		% of Total
Water Supply		
Water Supply Fee	\$ 54,676,645	19.6 %
Conservation	6,610,724	2.4
EAA Fee	6,309,136	2.3
Recycled Water System	2,350,000	0.8
Stormwater	2,746,327	1.0
Customer Penalties	636,044	0.2
Reduction for Affordability Program	(304,318)	(0.1)
Intercompany Reallocations	8,304,872	3.0
Total Water Supply	\$ 81,329,430	29.2
Water Delivery		
Metered Water Sales	\$81,233,543	29.2 %
Customer Penalties	3,792,386	1.4
Reduction for Affordability Program	(304,318)	(0.1)
Intercompany Reallocations	(8,604,872)	(3.1)
Total Water Delivery	76,116,739	27.4
Wastewater System		
Sewer Service Charges	90,414,694	32.5 %
Industrial Waste Surcharge	4,200,000	1.5
Customer Penalties	1,700,000	0.6
Reduction for Affordability Program	(300,000)	(0.1)
Intercompany Reallocations	300,000	0.1
Total Wastewater	96,314,694	34.6
Chilled Water and Steam System	12,213,849	4.4
TOTAL OPERATING REVENUES	\$ 265,974,712	95.5
 NONOPERATING REVENUES		
Interest Earned & Miscellaneous	7,650,000	2.7
Other Financing Sources	4,867,375	1.7
TOTAL REVENUES	\$ 278,492,087	100.0 %

2004 AMENDED BUDGET

Revenue Requirements

Revenue Requirements

The uses of the System Fund are defined by Ordinance and specifically sequenced. A summarized flow of funds is outlined below.

First: Payment of Operations & Maintenance expense, including a two-month Operating Reserve

Second: Deposit into Debt Service Fund for Senior Lien debt obligations

Third: Deposit into Reserve Fund

Fourth: Deposit into Debt Service Fund for Junior Lien debt obligations

Fifth: Deposit into Debt Service Fund for Subordinate Lien debt obligations

Sixth: Deposit into Debt Service Fund for Inferior Lien debt obligations

Seventh: Equal payments to the City of San Antonio's General fund and to SAWS Renewal and Replacement Fund

Eighth: Deposit of any remaining funds into the Renewal and Replacement Fund

The table below is a comparison of the summarized uses of funds from the 2004 Amended Budget, the 2004 Approved Budget, and the 2003 Approved Budget.

	2004 Amended	2004 Approved	2003 Approved
Maintenance & Operations	\$ 167,063,517	\$ 159,489,512	\$ 153,724,658
Operating Reserve Requirement	2,653,966	2,098,913	1,268,356
Revenue Bond Debt Requirement	72,647,944	69,291,688	56,835,718
Other Debt Service Requirements	5,219,624	4,844,003	6,264,893
Transfer to City of San Antonio	7,086,385	6,841,311	6,503,757
Transfer to Renewal & Replacement Fund	23,820,651	26,655,198	33,459,180
	<u>\$ 278,492,087</u>	<u>\$ 269,220,625</u>	<u>\$ 258,056,561</u>

Operations & Maintenance Expense

The cost to operate and maintain the System on a daily basis comprises the largest single requirement of System revenues. Approximately 60 cents of every current dollar collected goes to support basic activities. The costs in the amended budget are prudent and necessary for planning and development of water resources, production and delivery of water, treatment and collection of sewer, repair and maintenance of distribution mains and pumping facilities, billing and collection of customer accounts, responding to customer inquiries, maintaining books and accounts of record, administrative and planning activities, and promoting good employee relations and programs. These expenses are subdivided into five major categories.

Personal Services

Personal Services continue to account for the majority of gross requirements.

This item consists of base salaries adjusted for turnover, overtime, on-call pay, holiday pay and benefits, which are estimated at \$77.9 million for 2004.

Insurance premiums paid by SAWS for life, health, dental, and accident coverage for employees are anticipated to total \$4.7 million in 2004. The SAWS retirement program consists of the Texas Municipal Retirement System, Social Security, and a contract with the Principal Mutual Life Company. The cost to SAWS for funding these programs in 2004 is estimated to total \$10.4 million.

Contractual Services

Contractual Services costs are generally expenditures for services that are obtained by an express or implied contract.

Contractual professional services are fees paid for such items as legislative services, financial services, water resource studies, sewer sludge disposal, computer services, and lab services.

Utility costs are paid to City Public Service for natural gas and electric service to operate such SAWS facilities as the treatment plants, heating and cooling plants, water production wells, pumps, and sewer lift stations. The estimated expenditure for 2004 is \$20.2 million.

Preventative Maintenance, Corrective Maintenance, and Damage Repair are charges related to vehicle/equipment repair and maintenance. Total costs estimated for 2004 are \$2.6 million.

The EAA Pumping Fee expense is the payment of the Edwards Aquifer Authority pumping permit. This fee is expected to be \$6.0 million in 2004.

Outside Legal Services for 2004 are expected to total \$1.4 million.

Materials & Supplies

Materials & Supplies costs in the amount of \$17.4 million are necessary to support the repair and construction efforts of the production and distribution, collection and treatment crews as well as operating supplies and materials for all administrative functions.

Other Charges

Other Charges, totaling \$15.7 million, consist of costs associated with financing risk exposures in the form of liability, property, workers' compensation, and other insurance coverage.

Interfund Transfers

Many costs, although operating or maintenance oriented, are transferred from Operations & Maintenance Expense because the costs are capital in nature rather than period expenses. Interfund Transfers are estimated at \$24.5 million.

Operating Reserve

The Operating Reserve Requirement reflects compliance with Ordinance No. 75686, which requires that the Board maintain "a two-month reserve amount based upon the budgeted amount of maintenance and operating expenses for the current fiscal year." The calculated requirement for 2004 is \$2.7 million, which maintains SAWS' compliance with this provision.

Bonded Debt Requirement

The Bonded Debt Requirement is comprised of interest costs and retirement of principal. This requirement is projected according to maturity schedules or Ordinance formula. The amount necessary to fulfill these requirements in 2004 is \$72.6 million.

Other Debt Service Requirements

Other debt service requirements provide for interest expense of the tax-exempt commercial paper program, notes payable to outside entities, and debt expenses associated with debt management. Interest and expenses in the amount of \$5.2 million are budgeted for 2004.

2004 AMENDED BUDGET

Revenue Requirements

Annual debt service is summarized in the following table:

	2004 Amended	2004 Approved	2003 Approved
Senior Lien Debt Service			
Existing	\$ 45,406,011	\$ 45,406,011	\$ 39,679,704
Proposed	7,063,200	4,105,211	6,074,027
Junior Lien Debt Service			
Existing	11,189,140	10,338,907	10,264,324
Proposed	1,519,400	1,971,366	817,664
Subordinate Lien Debt Service			
Existing	7,470,193	7,470,193	-
Proposed	-	-	-
Other Debt			
	5,219,624	4,844,003	6,264,893
Total Debt Service	<u>\$ 77,867,568</u>	<u>\$ 74,135,691</u>	<u>\$ 63,100,611</u>

Transfer to the City of San Antonio

Pursuant to the Ordinance, the Board is required to transfer to the General Fund of the City an amount of money (as determined by City Council) up to 5% of the Gross Revenues. Transfers to the City are estimated to be \$7.1 million in 2004, equating to approximately 2.7% of non-exempt Total Revenues.

Renewal and Replacement Fund

After meeting all other requirements of System revenues, it is estimated that \$23.8 million will be available for transfer to the Renewal and Replacement Fund. The Renewal and Replacement Fund is used for the purpose of improvements, extensions, additions, replacements, or other capital expenditures

related to the System and any other lawful purpose. At minimum, the System is required to transfer an amount that matches the City Payment.

Capital Outlay

Capital Outlay, funded from Renewal and Replacement funds, totals \$5.0 million for 2004. Capitalized expenditures include furniture, vehicles, computer equipment and other durable assets valuing more than \$1,000.

Debt Coverage Ratio

The 2004 budget produces an estimated Maximum Annual Senior Lien Debt Coverage ratio of 1.4 times, which exceeds ordinance requirement of 1.25 times.

Strategic Plan

Mission Statement

The mission of the San Antonio Water System is to provide quality and reliable water, wastewater, reuse water, and heating and cooling services at reasonable costs and in an effective manner for our customers. We also provide leadership in managing and developing water resources in the San Antonio region.

Vision

The San Antonio Water System will be the best water and wastewater utility in the United States by the year 2006.

Values

On behalf of our customers and our fellow employees, we model and promote the following values:



Attitude

We recognize that each of us chooses our attitude about our work and our work relations. We believe it is incumbent upon every employee of the System to maintain a "customer-first" attitude toward each person we meet, whether

Commitment

that person is a SAWS employee or an external customer. We complete our duties in a legal and ethical manner each day, whether or not someone is watching, and without regard for being recognized. We focus on fulfilling our responsibilities in a way that will ensure that we attain our corporate vision of becoming the best water and wastewater utility by 2006.

Excellence

We focus on doing the right things, the right way, for the right reasons. We continually seek more effective and efficient ways to produce results, and we strive to make our workplace a Center of Excellence in SAWS.

Organization

The San Antonio Water System is a public utility owned by the city of San Antonio. It was created in May 1992 through the consolidation of three predecessor agencies:

City Water Board (the previous city-owned water supply utility)

City Wastewater Department (the city government department responsible for sewage collection and treatment)

Alamo Water Conservation and Reuse District (an independent city agency created to develop a system for reuse of treated wastewater)

On October 1, 2001, the System was reorganized to facilitate improvements in the way we plan, organize and carry out our corporate goals and objectives. A vice-president leads each of three major business groups and each group maintains its own business plan, which is aligned with this Strategic Business Plan.

PPQC

The Planning, Programming and Quality Control Group acquires water resources, plans infrastructure needs of the System, and designs and constructs projects, while stressing to our customers the need for water conservation.

The group also ensures protection of our water quality by enforcing regulations as well as performing laboratory analysis and reporting on environmental/regulatory matters.

Operations

The Operations Group serves the entire community by producing and distributing water and maintaining the collection system. The Group is also charged with operating three separate chilled water and steam facilities serving commercial customers in the downtown San Antonio area, at Kelly City Base, and at the Brooks AFB.

Treatment

The Treatment Group operates and maintains all of SAWS permanent and temporary water recycling facilities and water treatment plants. The Treatment Group includes the Technical Services Department, the Dos Rios Water Recycling Center, the Leon Creek Water Recycling Center, the Salado Creek Water Recycling Center, the Medio Creek Water Recycling Center, satellite facilities and the Aquifer Storage and Recovery (ASR) water treatment plant. The Maintenance Services Department provides maintenance support for all Treatment Group work programs.

Corporate

The Corporate Services Group, includes eight departments:

Corporate Support, Customer Service, Communications and Community Outreach, Fleet and Supply, Legal, Internal Audit, Contracting, and Financial Services. The group as a whole is responsible for managing and overseeing all business, administrative, and logistical support functions and activities for the System. Each director in the Corporate Services Group reports to the President/CEO.

The Issues We Face

The San Antonio Water System faces key challenges in responding to expanding customer requirements and in maintaining and improving our services. We have brought focus to the key issues by arranging them into five categories: Customers, Employees, Infrastructure, Water Supply and Environment.

Customers

We currently serve over 300,000 System customers in a rapidly growing city of more than 1.1 million people. Our customer base has increased by nearly 24 percent in the last decade, and nearly 60 percent since 1981. In 2001 the average usage of water in our service area was 143 gallons per person per day, an average pumpage rate of 165 million gallons per day. Current indicators reveal that this dynamic growth pattern will continue in the future. We must find ways to steadily improve service to all our customers.

Employees

We must be able to recruit, retain and develop quality employees while competing with high-visibility employers. People are the reason we are able to perform our mission, and they are our most significant investment. We must reward high performers, teams and groups while we seek to raise performance across the System.

Our people are increasingly responsible for accomplishing more work. As an example, in 1991 there were 9 miles of pipe for each employee in the Operations Group. Today there are more than 19 miles of pipe for each employee. As we seek to increase productivity, we must continually integrate improved safety practices into all of our activities to protect our employees, the public and the environment.

Infrastructure

Substantial effort will be required to maintain and restore our infrastructure to ensure adequate capacity and compliance with current and emerging environmental, safety, health and relatively new security standards.

The System operates and maintains more than 4,000 miles of water mains, water storage capacity of more than 145 million gallons, an equally extensive stormwater and wastewater collection system, and operational and maintenance facilities throughout the City of San Antonio. The maintenance and development of adequate facilities is also an important factor in recruiting and retaining talented employees.

Water Supply

During the first third of this century the demand for water in Bexar County is expected to increase from nearly 350,000 acre feet to 494,000 acre feet (40 percent increase). Limitations on the amount of water we can draw from the Edwards Aquifer requires us to acquire and develop new sources of water.

The San Antonio Water System is the largest supplier and distributor of water to the county, and we must increase our wastewater treatment capacity to effectively treat and recycle wastewater. In concert with the development of water supply sources, we will continue to emphasize that conservation of water provides our cheapest “source” of water. We must continue to educate and advise our customer base and the region on the benefits of water conservation.

Environment

We must stay at the forefront in protecting our physical environment by providing effective and efficient wastewater treatment capacity. Environmental management issues are becoming increasingly complex, so we must develop a systematic methodology for meeting environmental demands. Central to this methodology are our plans for increasing energy conservation, maintaining a preference for purchasing recycled products and innovative methods of returning waste products to the environment.

Goals and Strategic Indicators

Over the past year, we have developed an organizational plan that is aligned to address the significant issues we face. This plan was developed through a series of integrated working sessions and detailed analysis and planning by key business units and support staff organizations.

The following charts outline the specific goals, strategies and strategic indicators of the utility. These five goals are the primary focus of the company. As such, the System requires that each department's business plan and objectives link to one or more of the corporate goals. This will be demonstrated later in the document.

Goal #1	Provide our customers with responsive and effective customer service
<i>Strategy 1</i>	Assess customer satisfaction through broad-based information gathering techniques
<i>Strategic Indicators</i>	Levels of internal and external customer satisfaction are regularly assessed and action plans are in place to address needs for improvement
	Customer service systems quickly identify issues and complaints for quick resolution and inclusion in developing policy and business practice revisions
<i>Strategy 2</i>	Develop and implement communications strategies that effectively inform customers, employees and other stakeholders of our goals and objectives
<i>Strategic Indicators</i>	Comprehensive communication plans ensure that System employees and the public understand our goals and objectives and the reasons they are important to the community

Goal #2	Attract, retain and develop the best employee workforce in the public utility sector
<i>Strategy 1</i>	Revise and implement a best practices performance management system
<i>Strategic Indicators</i>	A comprehensive pay performance system recognizes peak performers and provides competitive wages and benefits
	Employees understand the connection between strategic plans, annual business plan objectives and their own job responsibilities
<i>Strategy 2</i>	Develop and implement a System-wide comprehensive training and development program
<i>Strategic Indicators</i>	Career development programs are in place to provide employees adequate opportunities for advancement
	An effective employee reinvestment program is in place to allow training and reassignment of employees to other work areas in the System as required
	Employees are trained to work effectively in computerized work operations
	Workplace policies, procedures and standards are clearly understood by all employees and they are trained to follow them
<i>Strategy 3</i>	Enhance employee morale, motivation and commitment to achieving corporate goals
<i>Strategic Indicators</i>	A comprehensive organization development plan is in place to resolve organization cultural issues, especially cross-organization differences
	Facilities and workplace conditions promote job satisfaction and employee well being
	Employee teams work compatibly in achieving business plan objectives
	Divisions and Departments are recognized Centers of Excellence within and outside the System

Goal #3	Ensure that SAWS is the nation's most operationally efficient water and wastewater system
<i>Strategy 1</i>	Update, integrate and execute long range plans to ensure top quality performance of core business processes
<i>Strategic Indicators</i>	An updated water master plan provides the basis for forecasting water services
	The wastewater master plan is being logically implemented to develop and maintain sufficient wastewater treatment and water recycling capability
	A comprehensive treatment plant efficiency program is in place to ensure optimum performance of the wastewater recycling plants
	A long-range preventative maintenance program ensures the preservation of System components and facilities
	All long-range plans are integrated into a master plan that guides the Capital Improvements Program and System development
<i>Strategy 2</i>	Develop, coordinate and implement internal plans, policies and procedures that foster efficient and effective business operations
<i>Strategic Indicators</i>	A disaster recovery plan facilitates the System's ability to sustain operations and to recover from a variety of disaster scenarios
	Safety and security vulnerabilities have been identified and corrected
	Detailed financial plans, to include alternative financing opportunities provide flexibility in System operations
	A comprehensive property management methodology guides the management, acquisition and disposal of System real property
	Significant cost avoidance is being realized through a leading edge energy management program
	An Enterprise Resource Plan has been implemented to provide a reliable and robust information management system
	An integrated Graphical Information System provides accurate data and streamlines System maintenance and repair operations
	A contract management system enables legally correct and streamlined contracting procedures
<i>Strategy 3</i>	Establish and integrate all business plans into a balanced scorecard measurement system that communicates current business performance information
<i>Strategic Indicators</i>	A balanced approach to business performance reporting provides leaders a clear understanding of how well the System is functioning and allows managers to focus on techniques for improving future operations
	A rigorous inquiry into best practices within the utility sector and throughout the business sectors for common processes guides improvements and enhancements of core business and operational support processes

Goal #4	Ensure adequate, quality water supply and services for all present and future customers
<i>Strategy 1</i>	Update the Regional Water Plan and the Conservation and Reuse Plans
<i>Strategic Indicators</i>	A current regional water plan guides the planning and development of needed water sources to meet anticipated demand
	A comprehensive conservation and reuse plan has been communicated to customers and serves to maximize the efficient use of water resources

Goal #5	Sustain outstanding environmental performance in all aspects of our operations
<i>Strategy 1</i>	Develop, implement and maintain an effective environmental management system
<i>Strategic Indicators</i>	A state-of-the-art laboratory facility and operation allows accuracy and timeliness in analyzing System water and wastewater to ensure public health and protection of the environment
	A laboratory information system provides an effective knowledge management methodology for the System
	System operations meet or exceed all environmental, safety, and health requirements
	No significant findings result from environmental inspections conducted by state or federal regulating agencies

Implementing Our Strategy

In keeping with best practices throughout the business sectors, we have established guiding principles by which we will operate the San Antonio Water System.

Clear Leadership & Direction

All employees of the System understand how their individual work efforts contribute to the completion of our mission and attainment of our vision. The strategic plan is the first step in clarifying roles and responsibilities leading to positioning SAWS as the best water and wastewater utility in the United States.

Accountability

Every member of the management team, and each employee, plays a critical role in implementing our business strategy. To achieve Centers of Excellence and to be excellent in all we do, individual employees and teams are allowed the freedom to perform within their levels of authority.

Accountability at all levels is the underpinning of that operational freedom. Throughout the System, we hold ourselves accountable for meeting performance goals and providing efficient and effective service. As appropriate, we will reward outstanding performance.

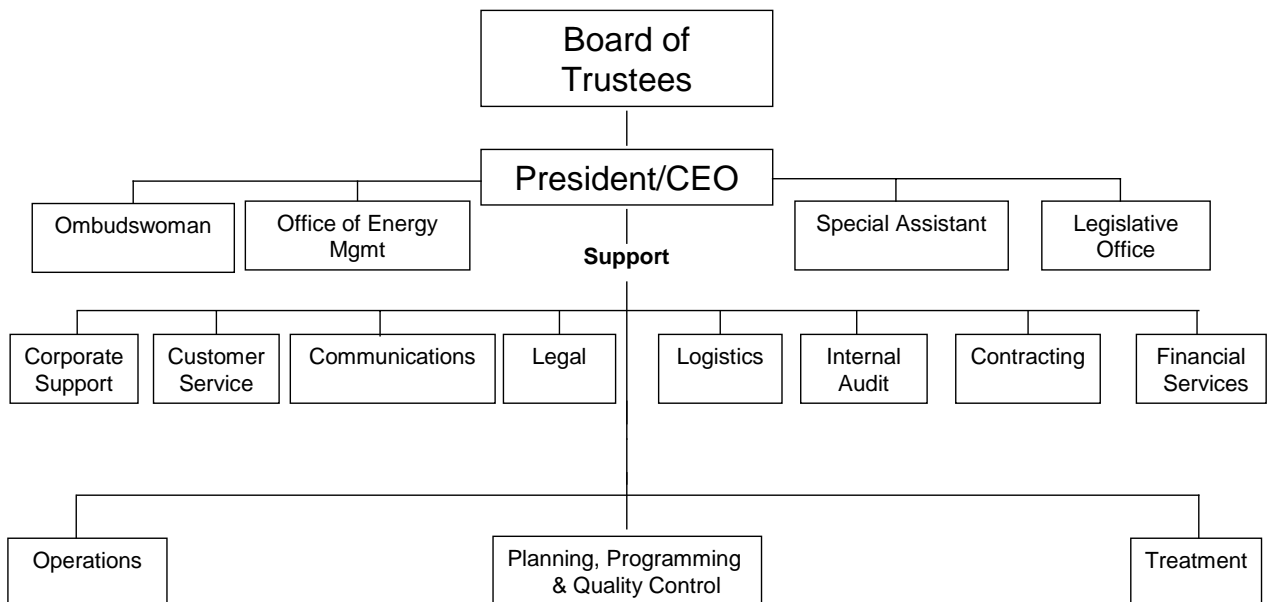
Integrated Planning & Programming

Vice presidents, department directors and project managers work together to translate the broad guidance and objectives of this plan into business plans that attain our business objectives. The management team respects and supports the plans that have been developed by basing decisions on the objectives of the plans.

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Position Analysis

Corporate Organizational Chart



Summary of Authorized Positions

	CY 2004			CY 2003		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total
Board of Trustees	1		1	1		1
Corporate Services Group	503	17	520	452	19	471
Office of the President/CEO	13	1	14	18	1	19
Legal	14		14	9	1	10
Communications	20		20	18	2	20
Internal Audit	6		6	6		6
Contracting	19	1	20	16	2	18
Financial Services	34	3	37	46	2	48
Customer Service	198	2	200	180	6	186
Logistics	76	7	83	90	4	94
Corporate Support	123	3	126	69	1	70
PPQC Group	293	17	310	289	16	305
Office of the Vice President	4		4	4	2	6
Resource Quality Management	33	4	37	27	1	28
Resource Protection & Compliance	68	1	69	68	1	69
Water Resources	17	0	17	17	0	17
Conservation	17	7	24	17	6	23
Major Projects	18		18	18		18
Production, Recycle	31		31	31		31
Collection & Distribution	43		43	44	1	45
Infrastructure Planning	62	5	67	63	5	68
Operations Group	715	7	722	723	16	739
Office of the Vice President	12		12	5		5
Production	100	2	102	96		96
Distribution & Collection	508	4	512	485	12	497
Engineering	59		59	97	2	99
H&C	36	1	37	40	2	42
Treatment Group	226	1	227 0	266	6	272
Office of the Vice President	10		10	10		10
Treatment Operations	96		96	89		89
Treatment Maintenance	8		8	4		4
Treatment Electrical Maintenance	12		12	11		11
Treatment Instrumentation	11		11	11		11
Treatment Mechanical	41		41	48		48
Treatment Special Projects	34		34	34		34
Treatment Technical	12	1	13	10		10
Treatment Recycle Operations			0	1		1
Treatment Recycle Maintenance			0			0
Treatment Biosolids	2		2	7		7
Integrated Business Information Systems	0		0	41	6	47
Total SAWS	1,738	42	1,780	1,731	57	1,788

Financial Plan
**ANNUAL BUDGET OF REVENUES AND THEIR DISPOSITION
FOR THE YEAR ENDING DECEMBER 31,**

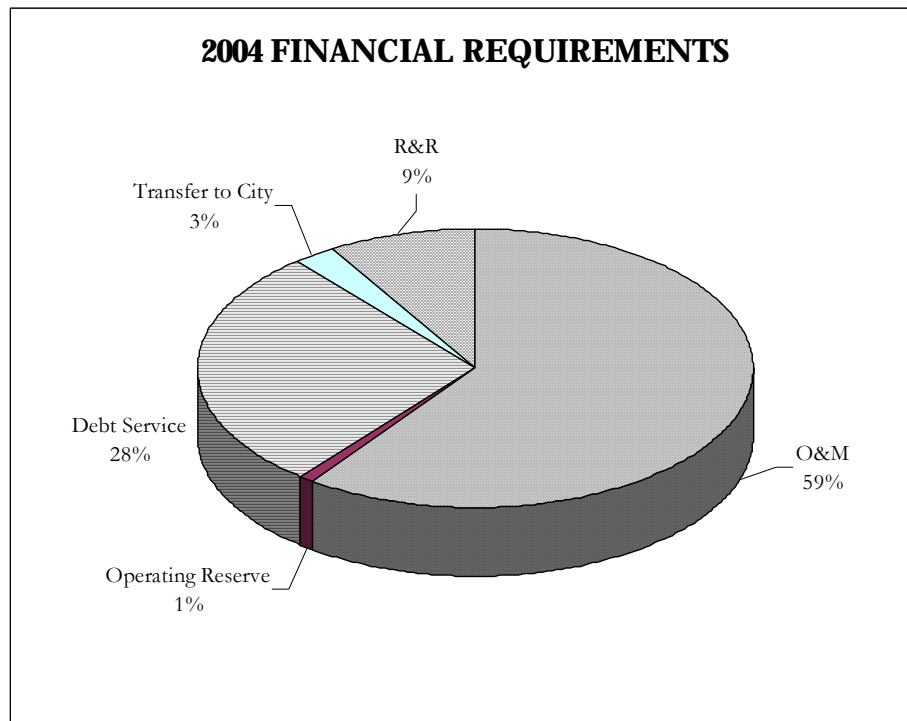
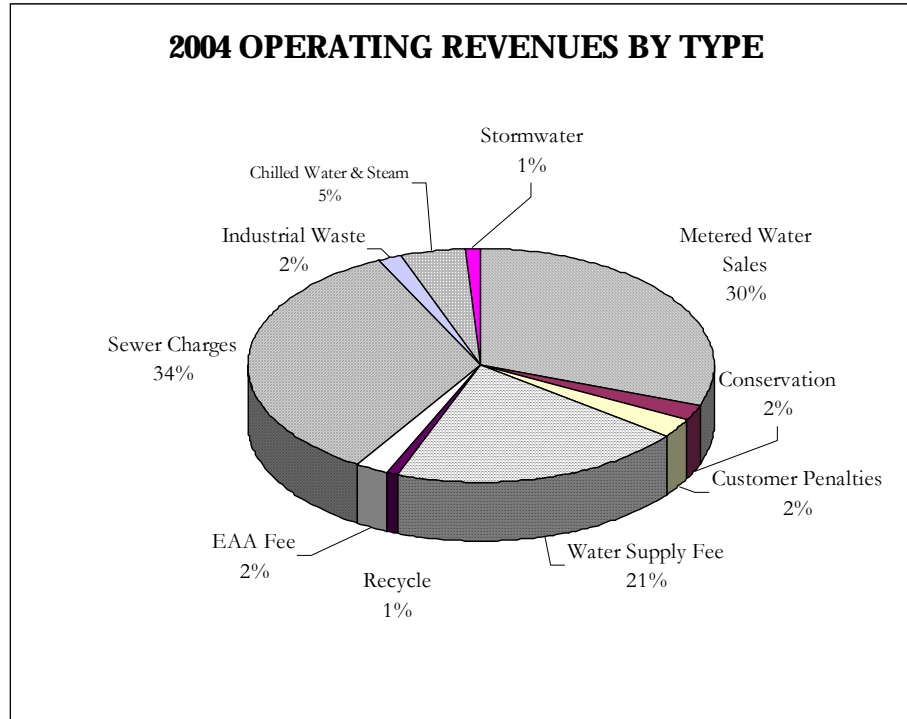
	<u>2004 Amended</u>	<u>2004 Approved</u>	<u>2003 Approved</u>
REVENUES AND OTHER FINANCING SOURCES			
OPERATING REVENUES			
Water Supply	\$ 81,329,430	\$ 84,650,647	\$ 80,854,334
Water Delivery	76,116,739	72,780,417	64,444,025
Wastewater System	96,314,694	86,971,880	88,150,344
Chilled Water and Steam Revenues	12,213,849	12,188,505	11,598,100
	<u>265,974,712</u>	<u>256,591,449</u>	<u>245,046,803</u>
NON-OPERATING REVENUES			
Interest Earned and Miscellaneous	7,650,000	7,650,000	8,209,671
OTHER FINANCING SOURCES			
	<u>4,867,375</u>	<u>4,979,176</u>	<u>4,800,088</u>
TOTAL REVENUES	<u>\$ 278,492,087</u>	<u>\$ 269,220,625</u>	<u>\$ 258,056,562</u>
DISPOSITION OF REVENUES			
OPERATIONS & MAINTENANCE EXPENSES	\$ 167,063,517	\$ 159,489,512	\$ 153,724,658
OPERATING RESERVE REQUIREMENT	2,653,966	2,098,913	1,268,356
DEBT SERVICE			
Bonded Debt	72,647,944	69,291,688	56,835,718
Other Debt	5,219,624	4,844,003	6,264,893
	<u>77,867,568</u>	<u>74,135,691</u>	<u>63,100,611</u>
TRANSFER TO THE CITY OF SAN ANTON	7,086,385	6,841,311	6,503,757
AVAILABLE FOR RENEWAL & REPLACEMENT	<u>23,820,651</u>	<u>26,655,198</u>	<u>33,459,180</u>
TOTAL DISPOSITION OF REVENUES	<u>\$ 278,492,087</u>	<u>\$ 269,220,625</u>	<u>\$ 258,056,562</u>

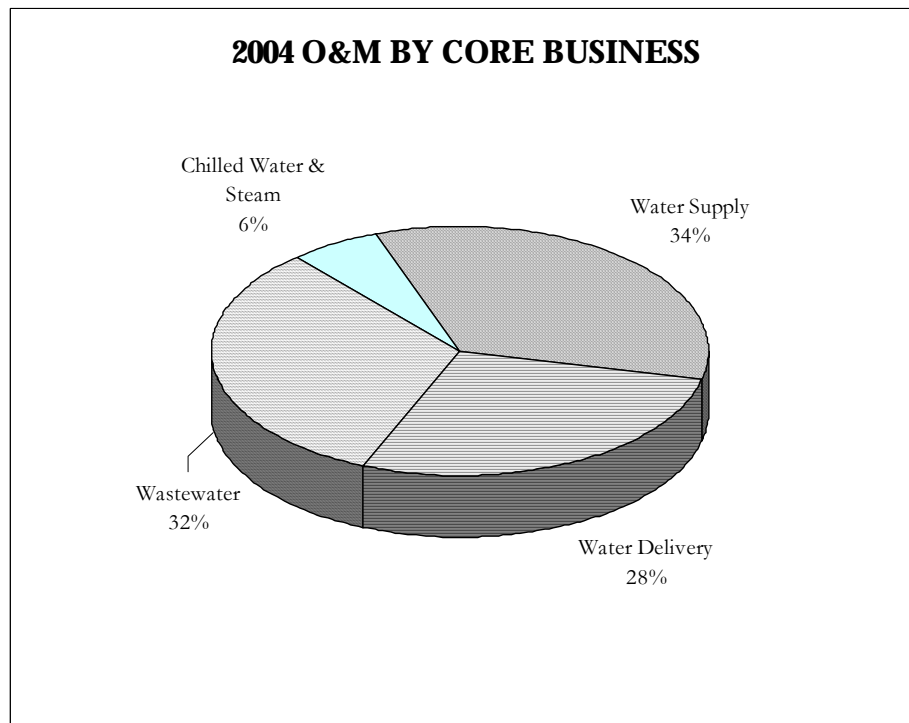
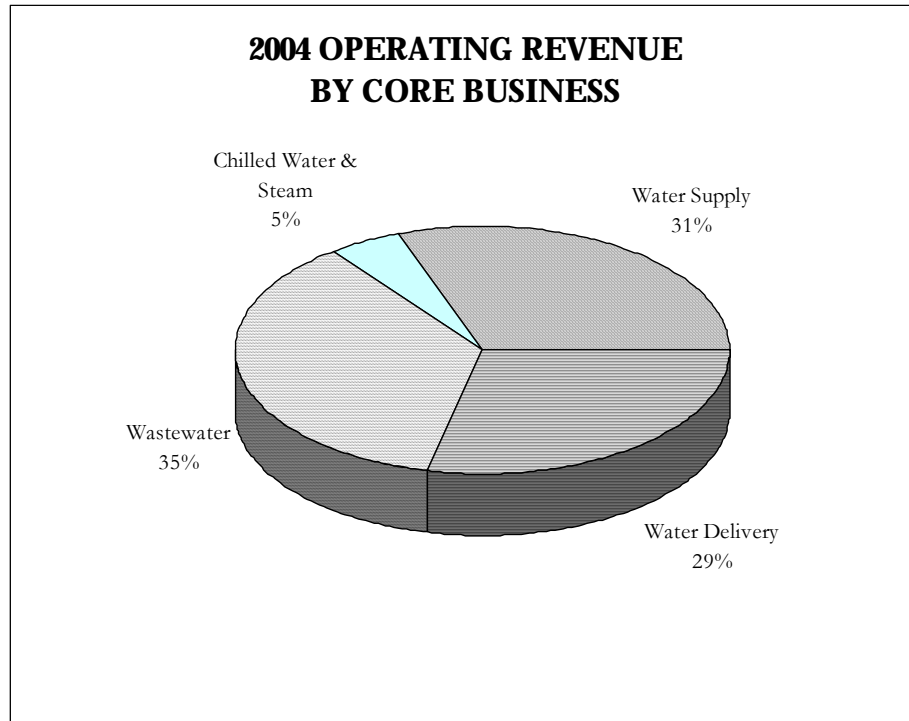
2004 AMENDED BUDGET

Financial Plan

AMENDED BUDGET OF REVENUES AND THEIR DISPOSITION 2004

	Water Supply	Water Delivery	Wastewater	Chilled Water & Steam	Total
REVENUES					
OPERATING REVENUES	\$ 81,329,430	\$ 76,116,739	\$ 96,314,694	\$ 12,213,849	\$ 265,974,712
NON-OPERATING REVENUES	2,275,000	3,060,000	2,295,000	20,000	7,650,000
OTHER FINANCING SOURCES	4,172,368	-	-	695,007	4,867,375
TOTAL REVENUES	\$ 87,776,798	\$ 79,176,739	\$ 98,609,694	\$ 12,928,856	\$ 278,492,087
DISPOSITION OF REVENUES					
OPERATIONS & MAINTENANCE EXPENSE	\$ 57,002,819	\$ 46,482,537	\$ 53,864,400	\$ 9,713,760	\$ 167,063,517
OPERATING RESERVE REQUIREMENT	411,235	1,417,794	763,572	61,365	2,653,966
DEBT SERVICE					
Bonded Debt	19,008,887	19,561,215	32,021,719	2,056,123	72,647,944
Other Debt	2,034,856	2,335,771	822,394	26,604	5,219,624
	21,043,742	21,896,986	32,844,113	2,082,727	77,867,568
TRANSFER TO THE CITY OF SAN ANTONIO	1,955,837	2,137,772	2,662,462	330,314	7,086,385
AVAILABLE FOR RENEWAL & REPLACEMENT	7,363,165	7,241,650	8,475,147	740,690	23,820,652
TOTAL DISPOSITION OF REVENUES	\$ 87,776,798	\$ 79,176,739	\$ 98,609,694	\$ 12,928,856	\$ 278,492,087





2004 AMENDED BUDGET

Financial Plan

ANNUAL OPERATION AND MAINTENANCE by DEPARTMENT (Includes Internal Service Fund)

	2004 Amended	2004 Approved	2003 Approved	% Change
BOARD OF TRUSTEES	\$ 42,303	\$ 42,309	\$ 97,693	(56.7) %
CORPORATE SERVICES				
Office of the President/CEO	(580,284)	(580,278)	1,326,378	(143.7)
Legal	2,628,076	2,728,070	2,430,346	8.1
Communications	1,490,410	1,490,394	1,886,812	(21.0)
Internal Audit	370,740	370,735	396,773	(6.6)
Contracting	1,044,035	1,044,043	1,076,082	(3.0)
Financial Services	2,196,318	2,196,350	2,947,443	(25.5)
Customer Service	7,652,882	7,652,869	7,668,227	(0.2)
Logistics	4,754,237	4,754,263	4,613,735	3.0
Corporate Support	16,750,798	16,775,857	16,840,926	(0.5)
Total Corporate Services Group	36,307,212	36,432,303	39,186,722	(7.3)
PLANNING, PROGRAMING, AND QUALITY CONTROL				
Office of the Sr. Vice President of PPQC	394,558	394,562	554,545	(28.9)
Resource Quality Management	2,529,368	2,416,320	2,050,586	23.3
Resource Protection & Compliance	6,030,893	6,030,936	5,634,592	7.0
Water Resources	26,233,565	27,846,158	16,945,697	54.8
Conservation	6,931,606	6,237,931	6,391,012	8.5
Major Projects	1,751,650	1,751,671	1,711,604	2.3
Production, Recycle, Treatment Engineering	1,834,146	1,834,154	1,720,934	6.6
Collection and Distribution	2,192,594	2,192,583	2,286,141	(4.1)
Infrastructure Planning	4,914,877	5,014,915	5,601,765	(12.3)
Total Planning, Programs, Quality Control	52,813,257	53,719,230	42,896,876	23.1
OPERATIONS				
Office of the Vice President of Operations	1,064,887	1,078,978	877,544	21.3
Production and Treatment	19,268,259	17,337,665	25,555,064	(24.6)
Distribution and Collection	29,269,488	29,366,433	28,751,190	1.8
Engineering Services	2,868,475	2,903,031	2,852,932	0.5
Heating and Cooling	8,560,485	8,560,470	7,378,848	16.0
Total Operations	61,031,594	59,246,577	65,415,578	(6.7)
TREATMENT				
Office of the Vice President of Treatment	821,462	1,260,676	1,239,347	(33.7)
Treatment Operations	13,996,471	12,136,528	9,915,789	41.2
Treatment Maintenance	1,972,214	860,955	495,100	298.3
Treatment Electrical Maintenance	791,287	1,162,987	1,134,271	(30.2)
Instrumentation Maintenance	745,618	902,381	858,336	(13.1)
Mechanical Maintenance	2,487,469	2,555,120	2,781,502	(10.6)
Special Projects	1,654,577	1,683,072	1,717,452	(3.7)
Technical Services	923,140	872,710	687,494	34.3
Recycle Operations	14,127	14,127	71,289	(80.2)
Recycle Maintenance	15,000	15,000	38,066	(60.6)
Biosolids	2,250,774	2,051,389	2,051,389	9.7
Integrated Business Systems	756,200	156,204	5,325,026	(85.8)
Total Treatment	26,428,339	23,671,149	26,315,061	0.4
OTHER REQUIREMENTS	18,695,675	16,452,227	14,229,732	31.4
Total Before Interfund Transfers	195,318,380	189,563,795	188,141,662	3.8
INTERFUND TRANSFERS	(28,254,862)	(30,074,284)	(34,416,999)	(17.9)
TOTAL	\$ 167,063,518	\$ 159,489,511	\$ 153,724,663	8.7 %

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Summary of Interfund Transfers

Department	Annual Budget	Transfers to Other Funds	Internal Service Fund	Construction
Legal	\$ 2,628,076	\$ 919,982		\$ 919,982
Contracting	1,044,035	8,882		8,882
Financial Services	2,196,318	238,697		238,697
Logistics	4,754,237	3,781,319	\$ 3,751,115	30,204
Corporate Support	16,750,798	1,014,209		1,014,209
Major Projects	1,751,650	1,751,650		1,751,650
Production, Recycle, Treatment Eng Collection and Distribution	1,834,146	1,782,517		1,782,517
Infrastructure Planning	2,192,594	2,192,594		2,192,594
Production	4,914,877	4,566,076		4,566,076
Distribution and Collection	19,268,259	228,604		228,604
Engineering Services & Inspections	29,269,488	4,709,970		4,709,970
Treatment Electrical Maintenance	2,868,475	2,868,475		2,868,475
Treatment Instrumentation Maintena	791,287	50,000		50,000
Treatment Instrumentation Maintena	745,618	50,000		50,000
Treatment Mechanical Maintenance	2,487,469	50,000		50,000
Treatment Special Projects	1,654,577	1,385,000		1,385,000
Treatment Technical Services	923,140	468,259		468,259
Other Requirements Group	18,695,675	2,188,628		2,188,628
	<u>\$ 115,126,057</u>	<u>\$ 28,254,862</u>	<u>\$ 3,751,115</u>	<u>\$ 24,503,747</u>

O&M by Account, Excludes Internal Service Fund

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services				
511100 Salaries	\$ 59,096,358	\$ 57,897,037	\$ 55,071,921	7.3
511140 Overtime	2,010,519	2,005,532	1,820,280	10.5
511150 On Call Pay	380,259	378,741	535,623	(29.0)
511160 Employee insurance	4,736,884	4,764,168	4,525,031	4.7
511162 Employee Retirement	10,370,835	10,238,318	9,196,117	12.8
511164 Compensation for Usued Sick	75,000	75,000	75,003	-
511166 Personal Leave Bonus	575,000	575,000	575,003	-
511168 Vacation Pay	610,370	610,370	610,370	-
511169 Longevity Pay	-	-	-	0
Total Personal Services	77,855,225	76,544,166	72,409,348	7.5
Contractual Services				
511210 Operation Expense	2,984,389	2,858,141	4,024,027	(25.8)
511211 Rental of Facilities	1,872,270	1,272,266	1,238,507	51.2
511212 Alarm and Security	971,952	1,024,950	423,918	129.3
511213 Collection Expense	348,000	348,000	348,000	-
511214 Shoe Reimbursement	92,242	84,298	77,396	19.2
511215 Program Expenses	(2,699,357)	(5,314,028)	10,000	-
511216 Catering Services	109,277	118,147	128,515	(15.0)
551219 Program Rebates	1,917,500	1,917,513	2,453,524	(21.8)
511220 Maintenance Expense	7,446,654	7,497,597	7,220,147	3.1
511221 Street Cut Permit Adm. Fees	499,250	499,250	499,250	-
511222 Street Pavement Repair Fees	304,000	304,000	304,000	-
511223 Preventative maintenance	704,099	1,522,325	1,503,388	(53.2)
511224 Corrective Maintenance	1,523,949	1,912,198	1,936,499	(21.3)
511225 Damage Repair	416,510	743,607	760,863	(45.3)
511230 Outside Equipment Rental	773,091	742,652	277,193	178.9
511235 W.C. Equipment Rental	740,947	482,561	566,090	30.9
511240 Travel	489,958	569,577	883,333	(44.5)
511245 Training	891,426	745,022	1,021,049	(12.7)
511247 Conferences	258,614	214,317	-	0
511250 Memberships and Subscriptions	474,497	426,947	374,969	26.5
511260 Utilities	20,200,956	17,612,560	16,948,430	19.2
511261 Water Options and Payments	9,002,543	12,141,558	10,142,783	(11.2)
511270 Postage	1,235,890	1,236,497	1,269,356	(2.6)
511280 Telemetering Charges	65,990	72,990	67,400	(2.1)
511310 Educational Assistance	155,000	154,992	77,828	99.2
511311 Sludge Removal and Haulage	35,000	500	500	6,900.0
511312 Contractual Professional Services	20,615,500	18,290,695	22,903,447	(10.0)
511313 Inspection and Assessment Fees	6,452,197	7,984,694	8,182,994	(21.2)

2004 AMENDED BUDGET

Account Data

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
511315 Temporary Services	438,400	418,406	504,869	(13.2)
511320 Legal Services	1,432,658	1,532,656	1,612,315	(11.1)
511370 Communications	807,204	690,757	734,232	9.9
511380 Data Processing Charges	30,000	30,000	30,000	-
Total Contractual Services	80,590,606	78,135,645	86,524,822	(6.9)
Materials and Supplies				
511410 Small Tools	396,850	311,928	324,833	22.2
511415 Expensed Assets	198,685	123,802	-	0
511420 Operating Mat'ls and Supplies	3,595,446	3,603,030	2,950,729	21.8
511421 Heating Fuel	42,000	21,000	42,875	(2.0)
511422 Chemicals, Medical and Drugs	4,180,845	3,183,003	1,937,535	115.8
511425 Education of School Children	25,000	24,996	50,000	(50.0)
511426 Public Awareness	5,000	5,004	10,000	(50.0)
511427 Enforcement	15,000	15,000	90,000	(83.3)
511428 Program Materials	878,645	878,635	338,005	160.0
511430 Maintenance Materials/Supplies	5,003,356	4,758,909	5,050,139	(0.9)
511440 Safety Materials and supplies	1,623,564	425,497	450,934	260.0
511450 Tires and Tubes	253,626	38,546	7,637	3,221.0
511451 Motor Fuel	1,051,809	1,046,842	1,024,304	2.7
511460 Cafeteria Food Supplies	131,200	132,696	134,339	(2.3)
Total Materials and Supplies	17,401,026	14,568,888	12,411,330	40.2
Other Charges				
511510 Judgment and Claims	600,000	600,000	324,250	85.0
511520 Bank Charges	532,000	532,004	97,068	448.1
511522 Financing charges	-	-	704,440	(100.0)
511530 Employee Relations	404,015	369,069	231,140	74.8
511540 Dependent and Retiree Coverage	10,340,501	10,958,168	8,040,950	28.6
511560 Uncollectible Accounts	1,033,643	1,033,644	476,398	117.0
511570 General Liability & Fire Ins.	1,310,249	1,276,695	779,752	68.0
511580 Unemployment Compensation	40,000	39,996	40,000	-
511590 Workers' Compensation	1,000,000	999,996	746,104	34.0
511610 WC - Comp & Benefits	400,000	399,996	243,367	64.4
511620 WC - Misc. Claims Exp	60,000	60,000	75,000	(20.0)
Other Charges	15,720,408	16,269,568	11,758,469	33.7
Interfund Transfers	191,567,265	185,518,267	183,103,969	4.6
Transfers				
Interfund Transfers	(24,503,747)	(26,028,756)	(29,379,311)	(16.6)
Total Operations & Maintenance	\$ 167,063,518	\$ 159,489,511	\$ 153,724,658	8.7

O&M by Account, Includes Internal Service Fund

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services				
511100 Salaries	\$ 61,144,964	\$ 59,996,559	\$ 57,130,577	7.0
511140 Overtime	2,065,519	2,065,532	1,885,282	9.6
511150 On Call Pay	445,259	445,233	660,623	(32.6)
511160 Employee insurance	4,937,986	4,968,437	4,711,614	4.8
511162 Employee Retirement	10,599,372	10,473,167	9,438,429	12.3
511164 Compensation for Usued Sick	75,000	75,000	75,003	-
511166 Personal Leave Bonus	575,000	575,000	575,003	-
511168 Vacation Pay	610,370	610,370	610,370	-
511169 Longevity Pay	-	-	113,569	(100.0)
Total Personal Services	80,453,470	79,209,298	75,200,470	7.0
Contractual Services				
511210 Operation Expense	3,039,929	2,915,177	4,052,777	(25.0)
511211 Rental of Facilities	1,872,270	1,272,266	1,238,507	51.2
511212 Alarm and Security	971,952	1,024,950	423,918	129.3
511213 Collection Expense	348,000	348,000	348,000	-
511214 Shoe Reimbursement	98,342	90,478	82,946	18.6
511215 Program Expenses	(2,699,357)	(5,314,028)	10,000	-
511216 Catering Services	110,177	119,047	129,415	(14.9)
511219 Program Rebates	1,917,500	1,917,513	2,453,524	(21.8)
511220 Maintenance Expense	7,491,554	7,544,505	7,269,641	3.1
511221 Street Cut Permit Adm. Fees	499,250	499,250	499,250	-
511222 Street Pavement Repair Fees	304,000	304,000	304,000	-
511223 Preventative maintenance	711,659	1,529,885	1,526,666	(53.4)
511224 Corrective Maintenance	1,544,299	1,932,548	1,971,845	(21.7)
511225 Damage Repair	423,916	751,013	774,932	(45.3)
511230 Outside Equipment Rental	782,091	752,552	288,585	171.0
511235 W.C. Equipment Rental	750,947	592,553	571,912	31.3
511240 Travel	502,558	582,777	890,933	(43.6)
511245 Training	915,426	769,526	1,036,814	(11.7)
511247 Conferences	262,114	218,817	-	0
511250 Memberships and Subscriptions	475,497	428,447	376,808	26.2
511260 Utilities	20,200,956	17,612,560	16,948,430	19.2
511261 Water Options and Payments	9,002,543	12,141,558	10,142,783	(11.2)
511270 Postage	1,235,890	1,236,497	1,290,186	(4.2)
511280 Telemetering Charges	65,990	72,990	67,400	(2.1)
511310 Educational Assistance	155,000	154,992	82,745	87.3
511311 Sludge Removal and Haulage	35,000	500	500	6,900.0
511312 Contractual Professional Service	20,616,500	18,291,691	24,009,074	(14.1)
511313 Inspection and Assessment Fees	6,452,197	7,984,694	8,182,994	(21.2)

2004 AMENDED BUDGET

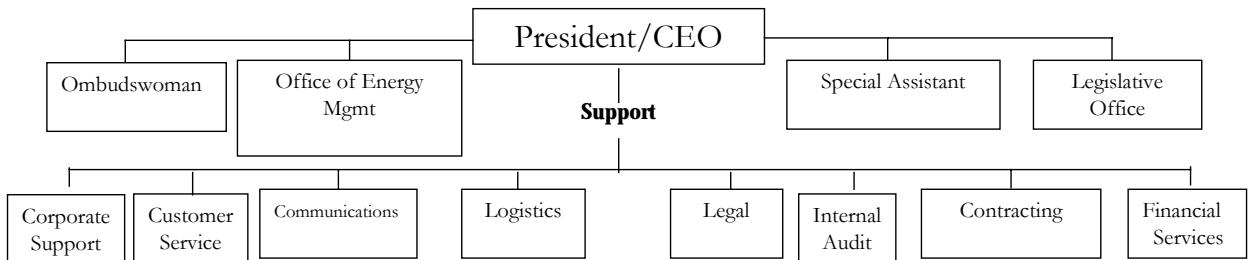
Account Data

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
511315 Temporary Services	443,400	423,410	509,869	(13.0)
511320 Legal Services	1,432,658	1,532,656	1,662,315	(13.8)
511370 Communications	807,904	807,493	734,772	10.0
511380 Data Processing Charges	30,000	30,000	30,000	-
Total Contractual Services	80,800,162	78,568,317	87,911,541	(8.1)
Materials and Supplies				
511410 Small Tools	401,950	317,124	329,833	21.9
511415 Expensed Assets	201,685	129,802	-	0
511420 Operating Mat'ls and Supplies	3,643,446	3,651,834	3,008,609	21.1
511421 Heating Fuel	42,000	21,000	42,875	(2.0)
511422 Chemicals, Medical and Drugs	4,180,845	3,183,003	1,937,535	115.8
511425 Education of School Children	25,000	24,996	50,000	(50.0)
511426 Public Awareness	5,000	5,004	10,000	(50.0)
511427 Enforcement	15,000	15,000	90,000	(83.3)
511428 Program Materials	878,645	878,635	338,005	160.0
511430 Maintenance Materials/Supplies	5,023,356	4,779,117	5,069,939	(0.9)
511440 Safety Materials and supplies	1,633,564	435,709	459,934	255.2
511450 Tires and Tubes	578,626	363,542	345,137	67.7
511451 Motor Fuel	1,501,809	1,496,842	1,448,634	3.7
511460 Cafeteria Food Supplies	131,200	132,696	135,881	(3.4)
Total Materials and Supplies	18,262,126	15,434,304	13,266,382	37.7
Other Charges				
511510 Judgment and Claims	600,000	600,000	324,250	85.0
511520 Bank Charges	532,000	532,004	97,068	448.1
511522 Financing charges	-	-	704,440	(100.0)
511530 Employee Relations	407,215	372,357	235,940	72.6
511540 Dependent and Retiree Coverag	10,417,247	11,034,920	8,040,950	29.6
511560 Uncollectible Accounts	1,033,643	1,033,644	476,398	117.0
511570 General Liability & Fire Ins.	1,312,517	1,278,963	779,752	68.3
511580 Unemployment Compensation	40,000	39,996	40,000	-
511590 Workers' Compensation	1,000,000	999,996	746,104	34.0
511610 WC - Comp & Benefits	400,000	399,996	243,367	64.4
511620 WC - Misc. Claims Exp	60,000	60,000	75,000	(20.0)
Other Charges	15,802,622	16,351,876	11,763,269	34.3
Operations & Maintenance before Interfund	195,318,380	189,563,795	188,141,662	3.8
Transfers				
Interfund Transfers	(28,254,862)	(30,074,284)	(34,416,995)	(17.9)
Total Operations and Maintenance	\$ 167,063,518	\$ 159,489,511	\$ 153,724,667	8.7

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Department Data

Corporate Group Organization



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2004 AMENDED BUDGET

Department Data

Corporate Services Group Budget

Purpose Statement

The Corporate Services Group includes Office of the President/CEO, Corporate Support, Customer Service, Communications and Community Outreach, Supply & Logistics, Legal, Internal Audit, Integrated Business Information Systems, Contracting, and Financial Services. The group, as a whole, is responsible for managing and overseeing all business, administrative, and logistical support functions and activities for the System.

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 21,816,385	\$ 21,832,213	\$ 20,811,296	4.8 %
Contractual Services	8,472,992	8,582,201	12,634,882	(32.9)
Materials and Supplies	2,238,575	2,238,621	2,149,343	4.2
Other Charges	3,779,260	3,779,268	3,591,201	5.2
Subtotal	\$ 36,307,212	\$ 36,432,303	\$ 39,186,722	(7.3)
Interfund Transfers	(2,211,974)	(2,181,829)	(729,859)	203.1
Net Requirements	\$ <u>34,095,238</u>	\$ <u>34,250,474</u>	\$ <u>38,456,863</u>	<u>(11.3) %</u>

Full Time Equivalent Positions by Department

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of President/CEO	13	1	18	1
Legal	14	-	9	1
Communications	20	-	18	2
Internal Audit	6	-	6	-
Contracting	19	1	16	2
Financial Services	34	3	46	2
Customer Service	198	2	180	6
Logistics	76	7	90	4
Corporate Support	123	3	69	1
	<u>503</u>	<u>17</u>	<u>452</u>	<u>19</u>

Office of the President/CEO, Purpose and Business Strategy
Purpose Statement

The Office of the President/CEO is responsible and accountable for overall leadership of the SAWS organization. Following the guidance and recommendations of the Board and City Council, the Office of the President/CEO sets policy, develops corporate strategy, and works alongside employees to help SAWS become a "best in class" public utility by 2006.

Activity	Description	Link to Corporate Goal
Corporate Internal & External Customer Advocacy	Ombudsperson	2
Corporate Measures & Metrics	Staff & support for development of measures & metrics throughout company, to support corporate goals	3
Corporate Planning	Strategic & tactical planning at corporate level	3
Office of Energy Management	Staff & support for identification and implementation of energy efficient measures	3 / 5
Emergency & Crisis Management	Staff & support for emergency situations	1
Economic Development	SAWS support of external economic development initiatives	1
Research & Development	New product development	1
Legislative Initiatives	Staff and outside consultants to follow legislative issues	1 / 4

2004 AMENDED BUDGET

Department Data

Office of the President/CEO, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,068,554	\$ 1,068,557	\$ 887,752	20.4 %
Contractual Services	(1,666,444)	(1,666,441)	425,743	(491.4)
Materials and Supplies	17,002	17,002	12,543	35.5
Other Charges	604	604	340	77.6
Subtotal	\$ (580,284)	\$ (580,278)	\$ 1,326,378	(143.7)
Interfund Transfers	-	(1)	(3)	(100.0)
Net Requirements	\$ <u>(580,284)</u>	\$ <u>(580,279)</u>	\$ <u>1,326,375</u>	<u>(143.7) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of President/CEO	13	1	18	1

Legal Department, Purpose and Business Strategy

Purpose Statement

The Legal Department advises and counsels Management. The Department represents SAWS to customers, the regulating community, and business partners. The Department researches legal issues, drafts legal documents and memorandums, and coordinates the activities of outside counsel.

Activity	Description	Link to Corporate Goal
Contracts	Review System contracts	3
Employment Law	Advise and defend System on employment related issues	2
Environmental	Review legislation associated with environmental law	5
Litigation	Represent System in litigation	3
Real Estate	Assist with real estate transactions	3
Water Resources	New product development	4

2004 AMENDED BUDGET

Department Data

Legal Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,138,448	\$ 1,138,448	\$ 738,524	54.2 %
Contractual Services	1,371,428	1,471,422	1,668,822	(17.8)
Materials and Supplies	17,000	17,004	23,000	(26.1)
Other Charges	101,200	101,196	-	-
Subtotal	\$ 2,628,076	\$ 2,728,070	\$ 2,430,346	8.1
Interfund Transfers	(919,982)	(919,998)	(539,981)	70.4
Net Requirements	\$ <u>1,708,094</u>	\$ <u>1,808,072</u>	\$ <u>1,890,365</u>	<u>(9.6) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Legal	14	-	9	1

Communications Department, Purpose and Business Strategy
Purpose Statement

The Communications Department is responsible for providing internal communication for employees and external communication between SAWS, its customers, the community, city and county government, media and the general public. The Communications Department also provides general staff supervision for public participation and involvement programs supporting System operations

Activity	Description	Link to Corporate Goal
Advertising (PSAa, Consumer Research)	Builds awareness of SAWS programs and positive attitudes toward the utility	1
Governmental Relations	Keeping elected officials informed about SAWS needs and answering questions/concerns before decisions at Council are made is critical to SAWS overall success	1
Graphics/Multimedia Production	Creative, effective design and presentation of SAWS information helps make difficult issue understandable	1
Media Relations	SAWS is a public agency and open 24 hours a day to scrutiny by public and media. Ineffective media relations can ruin any and all efforts to build trust among community/electeds.	1
Neighborhood Relations	Neighborhoods have claimed a very powerful position in influencing policy makers. Neighborhood relations is key to keeping neighborhood leaders informed and comfortable with SAWS programs/projects.	1
Publishing	Bill inserts, brochures, newspaper pieces...are all means of providing information to the public/electeds.	1
Water Resources Support	Public involvement required for SB1 water development projects. SAWS Board's policy to inform/involve public in SAWS activities.	1
Web Applications	Preferred means of communications today.	1
Youth Education	Creating informed future customers is essential to SAWS long-term stability. Many of today's issues stem from the fact that current customers had to start from scratch in learning the water issue over that last 7-8 years.	1

2004 AMENDED BUDGET

Department Data

Communications Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,050,172	\$ 1,050,172	\$ 1,000,259	5.0 %
Contractual Services	201,693	201,676	631,567	(68.1)
Materials and Supplies	237,945	237,946	254,386	(6.5)
Other Charges	600	600	600	-
Subtotal	\$ 1,490,410	\$ 1,490,394	\$ 1,886,812	(21.0)
Interfund Transfers	-	-	(1)	(100.0)
Net Requirements	\$ <u>1,490,410</u>	\$ <u>1,490,394</u>	\$ <u>1,886,811</u>	<u>(21.0) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Communications	20	-	18	2

Internal Audit Department, Purpose and Business Strategy

Purpose Statement

The Internal Audit Department is responsible for performing independent appraisals within the San Antonio Water System for financial and operational reviews. The department performs audits which function by measuring and evaluating the effectiveness of managerial controls to the extent their testing may also be relied upon by independent auditors in the conduct of the annual audit of the SAWS' financial statements.

Activity	Description	Link to Corporate Goal
Operational Audits	Evaluating compliance with SAWS policies and procedures	3
Financial Audits	Assist External Auditors in their evaluation of SAWS Internal Controls and Financial Statements	3
Special Project Audits	Audit will originate from requests from President/CEO, COO or Vice Presidents	3

2004 AMENDED BUDGET

Department Data

Internal Audit Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 362,033	\$ 362,033	\$ 355,705	1.8 %
Contractual Services	4,907	4,902	38,368	(87.2)
Materials and Supplies	3,500	3,500	2,400	45.8
Other Charges	300	300	300	-
Subtotal	\$ 370,740	\$ 370,735	\$ 396,773	(6.6)
Interfund Transfers	-	(1)	1	(100.0)
Net Requirements	\$ <u>370,740</u>	\$ <u>370,734</u>	\$ <u>396,774</u>	<u>(6.6) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Internal Audit	6	-	6	-

Contracting Department, Purpose and Business Strategy

Purpose Statement

The Contracting Department is primarily responsible to the President/CEO for managing all the contracting activities of the San Antonio Water System. This includes the direct execution, oversight and administration of all the primary procurement, construction and professional services contracts. The department also has administrative oversight and maintains on the central contracts database all other contractual documents of the System.

Activity	Description	Link to Corporate Goal
Administer SMWB Program	Insure compliance with established SMWB contracting goals. Conduct community outreach and networking activities.	3
Training and Advising	Be SAWS knowledge center/consultants for Procurement and contracting requirements - facilitate process for internal and external customers	3
Contract Monitoring	Insure compliance, performance, changes, amendments, reports	3
Contract Administration	Write/execute contract, establish files, establish payment terms, Board actions	3
Contracting Process	Receive, process, analyze purchase requests/Request for goods/services - solicit goods/services/RFQ/RFP - receive/process bids/proposals - recommend vendor/contractor	3

2004 AMENDED BUDGET

Department Data

Contracting Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 958,537	\$ 974,377	\$ 950,931	0.8 %
Contractual Services	58,719	42,887	114,251	(48.6)
Materials and Supplies	25,419	25,419	9,500	167.6
Other Charges	1,360	1,360	1,400	(2.9)
Subtotal	\$ 1,044,035	\$ 1,044,043	\$ 1,076,082	(3.0)
Interfund Transfers	(8,882)	(8,860)	15	(59,313.3)
Net Requirements	\$ <u>1,035,153</u>	\$ <u>1,035,183</u>	\$ <u>1,076,097</u>	<u>(3.8) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Contracting	19	1	16	2

Financial Services Department, Purpose and Business Strategy

Purpose Statement

The Financial Services Department is responsible for the formulation, management and reporting of short and long range financial plans in accordance with the policies of the Board. The department develops and maintains all records of accounts required for reporting on the financial results of operations. The department assists in financial and statistical analysis for other organizations within SAWS. The department is also responsible for the management of SAWS' cash and investments in accordance with established ordinance and policies and is responsible for the remittance processing of customer payments.

Activity	Description	Link to Corporate Goal
Rate Development	Conduct cost of service studies, develop major and minor rates, and benchmark to other utilities	1
Financial Analysis and Budgeting	Assist with budget development and analyze data to provide financial perspective for financial management and decision making.	3
Forecasting and Modeling	Develop statistically significant forecasts and predictor models to assist with decision making	3
Financial Reporting	Accurate and timely reports to meet regulatory requirements and assist with management decision making.	3
Payables (bills, payroll)		3
Investing	Maximize the income for the System to alleviate rate pressure	3
Debt Management	Optimize the funding plan and debt portfolio	3

Financial Services Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,784,744	\$ 1,784,740	\$ 1,762,119	1.3 %
Contractual Services	204,435	204,475	335,481	(39.1)
Materials and Supplies	46,299	46,291	54,575	(15.2)
Other Charges	160,840	160,844	795,268	(79.8)
Subtotal	\$ 2,196,318	\$ 2,196,350	\$ 2,947,443	(25.5)
Interfund Transfers	(238,697)	(238,711)	(189,853)	25.7
Net Requirements	\$ <u>1,957,621</u>	\$ <u>1,957,639</u>	\$ <u>2,757,590</u>	<u>(29.0) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Financial Services	34	3	46	2

Customer Service Department, Purpose and Business Strategy

Purpose Statement

The Customer Service Department is responsible for representing the San Antonio Water System by assisting our customers regarding the initiation, billing, payment, collection, and termination of water, stormwater, recycled water and wastewater service. These responsibilities include meter reading, maintenance of customer accounts, and administration of flat rate sewer and industrial use sewer surcharge accounts. Customers are assisted by telephone, in person at Customer Service Centers and in the field. The department also administers the investigation and code enforcement efforts of the City of San Antonio's Aquifer Management Plan.

Activity	Description	Link to Corporate Goal
Call Center	Assist SAWS customers in billing related problems and questions via the telephone.	1
Billing	Maintain the integrity of SAWS customer records.	1
Meter Reading	Obtain all meter readings from all SAWS water customer and report broken and damaged meters.	1
Remittance Processing		1
Operations Center		1
Field Services	Investigate customer questions and problems by on-site investigation; Collect delinquent bills disconnecting those who do not pay and turn-on or off customers who have moved.	1
Service Centers	Assist SAWS customers in billing related problems and questions in our office	1

2004 AMENDED BUDGET

Department Data

Customer Service Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 6,859,178	\$ 6,859,161	\$ 6,550,802	4.7 %
Contractual Services	538,783	538,790	451,058	19.4
Materials and Supplies	215,109	215,110	169,969	26.6
Other Charges	39,812	39,808	496,398	(92.0)
Subtotal	\$ 7,652,882	\$ 7,652,869	\$ 7,668,227	(0.2)
Interfund Transfers	-	(24)	(22)	(100.0)
Net Requirements	\$ <u>7,652,882</u>	\$ <u>7,652,845</u>	\$ <u>7,668,205</u>	<u>(0.2) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Customer Service	198	2	180	6

Logistics Department, Purpose and Business Strategy
Purpose Statement

The Logistics Department is responsible for providing material supplies and fleet maintenance services to the System. The Supply Division requisitions, receives, stores and issues all supplies excluding office and computer supplies and contractual services for all departments within the System. The Fleet Maintenance Division services and repairs vehicles and equipment for the entire organization.

Activity	Description	Link to Corporate Goal
Inventory/Cycle Count	Account for supplies by annual wall-to-wall inventory and by weekly cycle counts.	3
Damage Repairs	Damage Repairs	1
Order Supplies	Determine what customer needs, obtain three (3) bids, contact vendors, place order, obtain Purchase Order through Purchasing Division buyers.	1
Order and Receive vehicles and equipment	Work with the customer to develop specifications. Submit specifications for bid. Receive Board approval for winning bid, order vehicle, receive vehicle into fleet inventory.	1
Corrective/Preventive Maintenance	Perform repairs, scheduled oil changes, lubrications and fleet vehicle checks according to regular schedules to fleet vehicles and equipment.	1
POL Distribution	Forecast, order and distribute all Petroleum, Oil and Lubricants for SAWS	1
Tire Repair and Replacement	Manage Tire Contract. Insure tire checks are performed daily. Insure tires are repaired and replaced as necessary.	1
Issue Supplies	Issue Supplies	1
Receive Supplies	Receive supplies at warehouse. Inspect shipment to insure accuracy and proper product. Enter equipment into Maximo system.	1

2004 AMENDED BUDGET

Department Data

Logistics Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 2,846,810	\$ 2,846,802	\$ 2,883,764	(1.3) %
Contractual Services	938,173	938,177	862,339	8.8
Materials and Supplies	885,040	885,056	859,752	2.9
Other Charges	84,214	84,228	7,880	968.7
Subtotal	\$ 4,754,237	\$ 4,754,263	\$ 4,613,735	3.0
Interfund Transfers	(30,204)	3	-	-
Net Requirements	\$ <u>4,724,033</u>	\$ <u>4,754,266</u>	\$ <u>4,613,735</u>	<u>2.4</u> %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Logistics	76	7	90	4

Corporate Support Department, Purpose and Business Strategy
Purpose Statement

The Corporate Support Department is responsible for providing support to the organization in the areas of human resources, training, safety and loss prevention, risk management, and real estate services.

Activity	Description	Link to Corporate Goal
Employee Relations/EEO	EEO cases, grievances, labor relations, disciplinary actions (terminations, demotions, suspensions), unemployment, random drug screening	2
Workers Compensation	Investigates, documents and provides resolution to workers' compensation claims, TWCC reporting, settlement negotiations, hearing/litigation status	2
Employee Dev/Communications	Career development, education assistance, internship & mentoring programs, wellness programs, HR training workshops, displacement program, new hire orientation, policies & procedures communication, employee recognition programs	2
Emp Benefit Consulting Services	Consultant contract for: Group Ins Benefit Program, cost containment, bid programs & proposals, annual analysis of group benefits, provider fee negotiations, independent audit. Cost: \$152,000; Period: Aug-Dec 2002	2
Employment & Staffing	Recruiting, staffing and employment, employment compliance services, job placement program, career path advancement, Recruiting/Applicant Tracking/Candidate Management System.	2

Corporate Support Department, Purpose and Business Strategy (continued)
Purpose Statement

Activity	Description	Link to Corporate Goal
Benefits	Insurance and retirement benefit program, benefit communication and employee training needs, vendor, plan administrator, consulting and advisor contracts, Sick Leave Donation Program	2
Compensation/HRIS	Developing, analyzing and administering compensation, job analysis, pay structure, HR computer hardware & software information, system-wide ad-hoc reporting, data retrieval, HR/Payroll data and computer systems and HR/Payroll database security	2
HR Business Support	Recruiting, employment, compensation, benefits analysis, employee relations, and EEO	2
Network	Designs, installs, configures and maintains the WAN and LAN Network infrastructure. Control network software and hardware components.	3
Application Services	Development, integration, implementation and support application within main frame and servers.	3
Technical Support	Plan, organizes, and install of desktop, laptop, and server. Support microcomputer applications, e-mail, and performs system back-up for D.R.	3
DBASE	Plan, designs, organizes, configures, monitor and update database. Ensure optimal performance as well as the integrity availability and uptime at the highest level.	3
Telecommunication	Analyze and configure the telephone systems. Support SAWS telecommunication network.	3

Corporate Support Department, Purpose and Business Strategy (continued)

Purpose Statement

Activity		Link to Corporate Goal
Operation	Monitors and maintains IBM mainframe. Schedule and submits production and test jobs. Operates and maintains mainframe printers. Printer customer bills, payroll checks and mainframe reports.	3
Employee Training & Development	Develop, conduct and coordinate employee & leadership development programs and training activities targeted at professional and personal development	2
Technical Training	Develop, conduct and coordinate technical training activities, facilitation and coordination for water and wastewater technical skills and certifications and work unit job families.	2
Team Building	Conduct team building training activities and facilitation, including conflict resolution.	2
Strategic Planning Coordination	Coordinate organizational strategic planning efforts and work unit business plans.	3
Balanced Scorecard Coordination	Develop, implement and maintain Balanced Scorecard	3
Quality Improvements Program	Coordinate and facilitate Quality Improvement program and training activities for quality improvement tools and techniques.	3

2004 AMENDED BUDGET

Department Data

Corporate Support Department, Budget

Operation & Maintenance by Expense Category

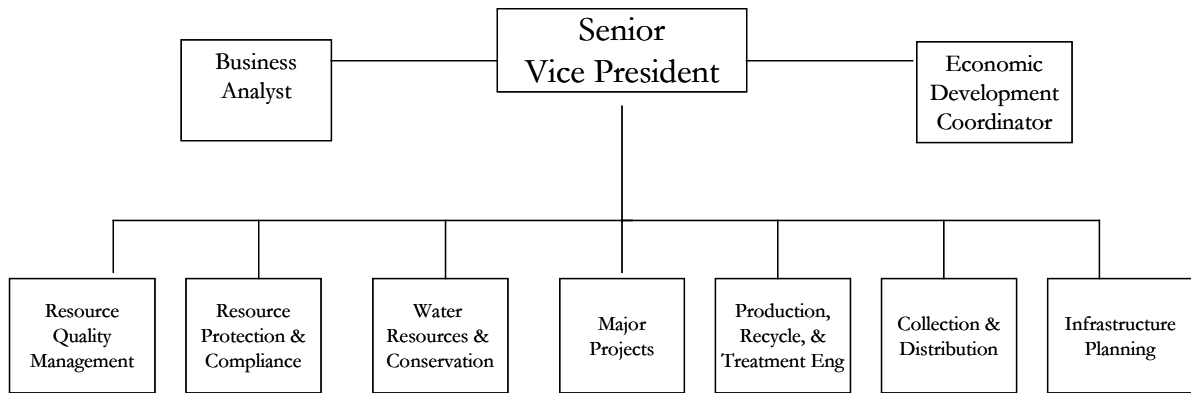
	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 5,747,909	\$ 5,747,923	\$ 5,681,440	1.2 %
Contractual Services	6,821,298	6,846,313	8,107,253	(15.9)
Materials and Supplies	791,261	791,293	763,218	3.7
Other Charges	3,390,330	3,390,328	2,289,015	48.1
Subtotal	\$ 16,750,798	\$ 16,775,857	\$ 16,840,926	(0.5)
Interfund Transfers	(1,014,209)	(1,014,237)	(15)	6,761,293.3
Net Requirements	\$ <u>15,736,589</u>	\$ <u>15,761,620</u>	\$ <u>16,840,911</u>	<u>(6.6) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Corporate Support	123	3	69	1

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Planning, Programming & Quality Control Group
Organization



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PPQC Group, Budget
Purpose Statement

The Planning, Programming and Quality Control Group acquires water resources, plans infrastructure needs of the System, designs and constructs projects, while stressing to our customers the need for water conservation. The group also ensures protection of our water quality by enforcing regulations as well as performing laboratory analysis and reporting on environmental/regulatory matters.

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 15,413,320	\$ 15,413,323	\$ 15,166,169	1.6 %
Contractual Services	34,742,015	35,647,924	26,596,675	30.6
Materials and Supplies	2,562,913	2,562,942	1,112,136	130.4
Other Charges	95,009	95,041	21,896	333.9
Subtotal	\$ 52,813,257	\$ 53,719,230	\$ 42,896,876	23.1
Interfund Transfers	(10,292,837)	(10,292,888)	(9,920,892)	3.7
Net Requirements	\$ <u>42,520,420</u>	\$ <u>43,426,342</u>	\$ <u>32,975,984</u>	<u>28.9 %</u>

Full Time Equivalent Positions by Department

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	4	-	4	2
Resource Quality Management	33	4	27	1
Resource Prot. & Compliance	68	1	68	1
Water Resources	17	-	17	-
Conservation	17	7	17	6
Major Projects	18	-	18	-
Production, Recycle, Treatment	31	-	31	-
Collection and Distribution	43	-	44	1
Infrastructure Planning	62	5	63	5
	<u>293</u>	<u>17</u>	<u>289</u>	<u>16</u>

Office of the Senior VP of PPQC, Purpose and Business Strategy

Purpose Statement

The Office of the Vice President of Planning, Programs and Quality Control Group provides leadership for functional duties related to water quality, alternate source analysis, growth and landuse programs. In addition to those activities, the PPQC group acts as a liaison and provides technical assistance to SAWS customers, citizen advisory committees, and regional interests. This group also implements water resource management and watershed protection policies promulgated by the Board. The Office of the Vice President of PPQC also provides leadership for engineering services to the SAWS organization, such as preparing construction plans and specifications, maintaining records of system physical facilities, and coordinating construction projects with developers and other governmental agencies

Activity	Description	Link to Corporate Goal
Manage PPQC	Over see the acquiring of water resources, planning infrastructure needs, designing and constructions of projects, conservation, laboratory analysis and environmental quality protection/enforcement	3

2004 AMENDED BUDGET

Department Data

Office of the Senior VP of PPQC, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 332,558	\$ 332,558	\$ 402,853	(17.4) %
Contractual Services	51,680	51,685	142,342	(63.7)
Materials and Supplies	10,000	9,999	9,000	11.1
Other Charges	320	320	350	(8.6)
Subtotal	\$ 394,558	\$ 394,562	\$ 554,545	(28.9)
Interfund Transfers	-	(3)	4	(100.0)
Net Requirements	\$ <u>394,558</u>	\$ <u>394,559</u>	\$ <u>554,549</u>	<u>(28.9) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	4	-	4	2

Resource Quality Management Department, Purpose and Business Strategy
Purpose Statement

The Resource Quality Management Department provides key services and programs that contribute to providing environmental stewardship in managing and developing resources for the San Antonio Water System. The department is responsible for permitting and reporting; assessing compliance, environmental risk and operational status; environmental analysis of regulations and standards; environmental best practices; education and communication; and to monitor and analyze water, waste and soils.

Activity	Description	Link to Corporate Goal
Monitoring and Analyzing Samples	Provide full range of analytical services in water, waste and soil analyses. Monitoring new technology through engineering evaluation and laboratory examination. Helping other areas of SAWS pilot test new products.	3
Standards review, forecast, interpretation & reporting	Review and interpret existing and proposed environmental regulations, water quality, laboratory procedures, etc. to determine the impact to SAWS. Develop proposed action plans.	5
Environmental Best Guidance	Identify best practices of environmental programs. Environmental Programs include such areas as Waste Mgmt., Materials Mgmt., Air Quality, Water Quality, etc.	5
Education and Communication	Develop training for organization in general environmental/laboratory procedures and protocols. Conduct various workshops and seminars on topics such as emergency response and environmental security.	5
Representative with outside entities	Meet with state, federal or city staff regarding environmental issues that have become high level. Example: Receiving a Notice of Violation or Administrative Order Note: Does not apply to day-to-day activities of the various departments.	5
Permit and reporting support	Preparing various permit and report on various environmental/regulatory issues. Examples would include water rights permits, chemical spill reports, sewage collection system, monthly water reports, etc.	5
Performing Site/Program Assessment	Perform field site environmental site assessments at SAWS WRCs, service centers, and other facilities to identify potential compliance issues and areas that could be hazardous or dangerous during normal operations to SAWS.	5

Resource Quality Management Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,745,607	\$ 1,745,607	\$ 1,428,250	22.2 %
Contractual Services	500,570	387,489	416,595	20.2
Materials and Supplies	214,211	214,236	202,056	6.0
Other Charges	68,980	68,988	3,685	1,771.9
Subtotal	\$ 2,529,368	\$ 2,416,320	\$ 2,050,586	23.3
Interfund Transfers	-	(1)	(2)	(100.0)
Net Requirements	\$ <u>2,529,368</u>	\$ <u>2,416,319</u>	\$ <u>2,050,584</u>	<u>23.3 %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Resource Quality Management	33	4	27	1

Resource Protection & Compliance Department, Purpose and Business Strategy

Purpose Statement

The Resource Protection and Compliance Department implements the policy of non-degradation to the Edwards Aquifer and other potable aquifers and ensures the protection of the water quality of watersheds crossing Bexar County and discharging to the waterways of the United States. The department is responsible for implementing, monitoring, and enforcing all federal, state, and local permits and regulations related to watershed protection, groundwater protection, and land use planning. Long term water quality protection, conservation and water resource educational information are developed and presented through a large number of programs. Additionally, the department is responsible for programs related to Aquifer Optimization, water supply project and evaluation and implementation, and other operational expertise for distribution.

Activity	Description	Link to Corporate Goal
Environmental Compliance	Sampling & Monitoring-Sample & monitor wastewater, potable water, recycled water & stormwater. Liquid Waste-Administer regulatory program for liquid waste transportation industry in San Antonio.	3
Resource Protection	Monitor & evaluate development over the Edwards Recharge Zone, participate in aquifer optimization studies, and insure water quality.	4
Stormwater	Stormwater Construction-Construction monitoring & EARZ sewer lateral inspections. Industrial Compliance-Enforcement of pretreatment regulations Stormwater Illicit connection inspection, WQ modeling, instream monitoring, sampling, testing & analysis.	5

2004 AMENDED BUDGET

Department Data

Resource Protection & Compliance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 3,365,802	\$ 3,365,802	\$ 3,283,560	2.5 %
Contractual Services	2,389,202	2,389,250	2,000,208	19.4
Materials and Supplies	269,357	269,356	346,134	(22.2)
Other Charges	6,532	6,528	4,690	39.3
Subtotal	\$ 6,030,893	\$ 6,030,936	\$ 5,634,592	7.0
Interfund Transfers	-	-	-	-
Net Requirements	\$ <u>6,030,893</u>	\$ <u>6,030,936</u>	\$ <u>5,634,592</u>	<u>7.0 %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Resource Prot. & Compliance	68	1	68	1

Water Resources Department, Purpose and Business Strategy

Purpose Statement

The Water Resources Department develops and implements water policy for the San Antonio Water System and the City of San Antonio. Major activities include liaison with the Edwards Aquifer Authority, coordinating citizen participation in water resource planning, regional customer development, writing and implementing water resource plans, and identifying and acquiring new sources of water through leases, purchases, water supply development, agricultural conservation and projects to deliver new water supplies.

Activity	Description	Link to Corporate Goal
Develop New Water Supplies	The development and study of new water supplies to meet short term and long term water demands for the system. New water supplies include Edwards water as well as other sources of groundwater, recycled water and or surface water.	3
Agriculture Conservation	The development of agriculture conservation programs to increase the efficiency of on farm irrigation equipment. This program increases our water supply by utilizing the conserved water for the System's use.	4
Edwards Aquifer Authority Activities	Provide oversight of all EAA activities primarily focusing on Permits, Policies, Studies and Rule making that effect the Systems and other Edwards Aquifer permit holders.	5

2004 AMENDED BUDGET

Department Data

Water Resources Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,029,185	\$ 1,029,185	\$ 1,020,255	0.9 %
Contractual Services	25,156,667	26,769,258	15,887,593	58.3
Materials and Supplies	46,798	46,800	36,729	27.4
Other Charges	915	915	1,120	(18.3)
Subtotal	\$ 26,233,565	\$ 27,846,158	\$ 16,945,697	54.8
Interfund Transfers	-	-	-	-
Net Requirements	\$ 26,233,565	\$ 27,846,158	\$ 16,945,697	54.8 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Water Resources	17	-	17	-

Conservation Department, Purpose and Business Strategy

Purpose Statement

The Conservation Department promotes water conservation through educational programs and incentives. This department organizes and manages rebate, education, and incentive programs to decrease water demand through water conservation programs.

Activity	Description	Link to Corporate Goal
Agriculture Conservation	Conservation funded effort by Water Resources Dept to access water resources by helping Ag Producers to conserve their water.	3
Commercial Programs	Educational and incentive programs to encourage general customers to reduce water use.	4
Leak Detection	Conservation funded effort by Operations to use advanced technology to find and repair leaks before they emerge from the soil.	4
Research and Evaluation	Activities to determine which Conservation programs will be most effective in meeting SAWS Conservation goals.	4
Residential Programs	Educational and incentive programs to encourage residential customers to reduce water use. Programs like Welcome Home and the Community Challenge	4
Enforcement and Critical Period	Activities to enforce water use ordinance and Critical Period rules.	4

2004 AMENDED BUDGET

Department Data

Conservation Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 761,793	\$ 761,793	\$ 813,023	(6.3) %
Contractual Services	4,341,953	3,648,267	5,233,229	(17.0)
Materials and Supplies	1,826,500	1,826,511	343,080	432.4
Other Charges	1,360	1,360	1,680	(19.0)
Subtotal	\$ 6,931,606	\$ 6,237,931	\$ 6,391,012	8.5
Interfund Transfers	-	-	-	-
Net Requirements	\$ <u>6,931,606</u>	\$ <u>6,237,931</u>	\$ <u>6,391,012</u>	<u>8.5</u> %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Conservation	17	7	17	6

Major Projects Department, Purpose and Business Strategy

Purpose Statement

The Major Projects Department is responsible for the oversight and management of the design and construction of water supply projects. Water supply projects that have been through the acquisition, integration and benchmarking process in the Resource Protection and Compliance Department and have been approved for implementation by the SAWS Board of Trustees, become the responsibility of the Major Projects Department.

Activity	Description	Link to Corporate Goal
Survey	Provide survey service in support of in-house design projects for this department and others within SAWS (design and easement surveys). Perform various survey services as requested not specifically related to design	3
Perform Project Management	Perform Project Management for major programs from program concept through construction, Perform Personnel Development, Change Order Processing, Prepare Board Items and Prepare and Oversee Budget	4

2004 AMENDED BUDGET

Department Data

Major Projects Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,466,618	\$ 1,466,622	\$ 1,507,880	(2.7) %
Contractual Services	200,450	200,460	149,277	34.3
Materials and Supplies	81,470	81,477	53,326	52.8
Other Charges	3,112	3,112	1,121	177.6
Subtotal	\$ 1,751,650	\$ 1,751,671	\$ 1,711,604	2.3
Interfund Transfers	(1,751,650)	(1,751,671)	(899,250)	94.8
Net Requirements	\$ -	\$ -	\$ 812,354	(100.0) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Major Projects	18	-	18	-

Production, Recycle, Treatment Engineering Department, Purpose and Business Strategy

Purpose Statement

The Production, Recycle, Treatment Engineering Department is responsible for the execution of design projects in SAWS' Capital Improvements Program for the water recycling centers, building and other miscellaneous infrastructure. The department prepares plans and specifications effectively and efficiently using in-house SAWS staff in addition to managing and reviewing plans and specifications prepared by outside consultants that incorporate the standards, requests and preferences of the end user group. This department also provides engineering support for new water resources and integrates those water resources into the existing distribution system, including the Aquifer Storage and Recovery Project.

Activity	Description	Link to Corporate Goal
Right of Way Service	Obtain easements & provide assistance for right of way related items .	1
Design & Project Management	Design & manage CIP projects for Production, Treatment & Recycle facilities.	1

Production, Recycle, Treatment Engineering Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,624,846	\$ 1,624,842	\$ 1,559,623	4.2 %
Contractual Services	174,240	174,247	133,071	30.9
Materials and Supplies	32,100	32,089	26,070	23.1
Other Charges	2,960	2,976	2,170	36.4
Subtotal	\$ 1,834,146	\$ 1,834,154	\$ 1,720,934	6.6
Interfund Transfers	(1,782,517)	(1,782,536)	(1,720,934)	3.6
Net Requirements	\$ 51,629	\$ 51,618	-	-

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Production, Recycle, Treatment	31	-	31	-

Collection & Distribution Department, Purpose and Business Strategy

Purpose Statement

The Collection and Distribution Department manages the design, review and coordination of all capital improvement projects related to the water distribution and wastewater collection infrastructure.

Activity	Description	Link to Corporate Goal
Design and construction of Capital Projects	Perform in-house designs for CIP projects. Manage consultant contracts/review designs of consultant designed CIP projects.	3
Survey	Provide survey services in support of in-house design projects for this department and others within SAWS (design and easement surveys). Perform various survey services as requested not specifically related to designs.	3

2004 AMENDED BUDGET

Department Data

Collection & Distribution Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 2,100,035	\$ 2,100,039	\$ 2,147,836	(2.2) %
Contractual Services	43,737	43,732	90,987	(51.9)
Materials and Supplies	44,320	44,314	46,618	(4.9)
Other Charges	4,502	4,498	700	543.1
Subtotal	\$ 2,192,594	\$ 2,192,583	\$ 2,286,141	(4.1)
Interfund Transfers	(2,192,594)	(2,192,583)	(2,286,140)	(4.1)
Net Requirements	\$ -	\$ -	\$ 1	(100.0) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Collection and Distribution	43	-	44	1

Infrastructure Planning Department, Purpose and Business Strategy

Purpose Statement

The Infrastructure Planning Department develops plans for the expansion of the water and wastewater systems. Activities include developing long-range master plans to optimize infrastructure, insuring the necessary infrastructure is available to meet growth, working with developers to outline requirements for new services, and reviewing plans and plats. Additionally, the department provides utility locate services, develops and maintains the 10 Year Capital Improvements Requirements Projections, and tracks the performance of the Capital Improvements Program. Other management duties include supporting the City Council appointed Capital Improvements Advisory committee and developing and collecting impact fees.

Activity	Description	Link to Corporate Goal
Programming / Planning	Population projections, CCN management and utility acquisition, STAT Book development, annexation coordination, growth studies. Impact fee development	3
CIP Development and Tracking	Coordinating the development of the Capital Improvement Plan, preparing and printing the plan, tracking the projects as awarded, reporting on the plan	3
GIS/Mapping-	Mapping the infrastructure, as built preparation and management, developing Water Resource GIS projects.	3
Master Planning	Development of long range water production/distribution and sewer collection master plans. Hydraulic modeling for master planning	3
Operational Support	Service level changes, pressure problem analysis, modeling to support Operations	1
Development Services	Review plans and plats for developer constructed projects, water and sewer commitments, new single and developer customer sales, impact fee collection	1

Infrastructure Planning Department, Budget

Operation & Maintenance by Expense Category

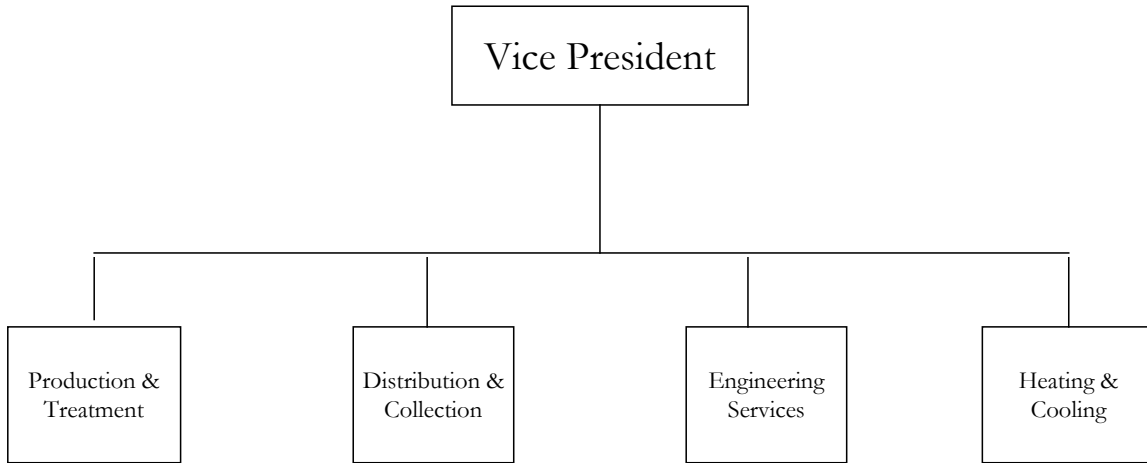
	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 2,986,876	\$ 2,986,875	\$ 3,002,889	(0.5) %
Contractual Services	1,883,516	1,983,536	2,543,373	(25.9)
Materials and Supplies	38,157	38,160	49,123	(22.3)
Other Charges	6,328	6,344	6,380	(0.8)
Subtotal	\$ 4,914,877	\$ 5,014,915	\$ 5,601,765	(12.3)
Interfund Transfers	(4,566,076)	(4,566,094)	(5,014,570)	(8.9)
Net Requirements	\$ <u>348,801</u>	\$ <u>448,821</u>	\$ <u>587,195</u>	<u>(40.6) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Infrastructure Planning	62	5	63	5

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Operations Group Organization



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2004 AMENDED BUDGET

Department Data

Operations Group, Budget

Purpose Statement

The Operations Group serves the entire community within the business cycle by producing and distributing water and maintaining the wastewater collection system. The Group is also charged with operating three separate chilled water and heating facilities serving commercial customers in the downtown area and Kelly USA.

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 26,823,097	\$ 27,010,983	25,917,971	3.5 %
Contractual Services	25,991,160	24,778,190	31,754,820	(18.2)
Materials and Supplies	8,056,104	7,236,238	7,521,212	7.1
Other Charges	161,233	221,166	221,575	(27.2)
Subtotal	\$ 61,031,594	\$ 59,246,577	65,415,578	(6.7)
Interfund Transfers	(7,807,049)	(10,449,948)	(10,350,284)	(24.6)
Net Requirements	\$ 53,224,545	\$ 48,796,629	55,065,294	(3.3) %

Full Time Equivalent Positions by Department

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	12	-	5	-
Distribution and Collection	100	2	96	-
Production	508	4	485	12
Engineering Services	59	-	97	2
Heating and Cooling	36	1	40	2
	715	7	723	16

Office of the VP of Operations, Purpose and Business Strategy

Purpose Statement

The Office of the Vice President of Operations provides leadership and direction in the production and delivery of high quality water to the system customers. It is also responsible for the transfer of wastewater to the treatment plants by managing the collection system, and providing chilled water and steam to customers in the community.

Activity	Description	Link to Corporate Goal
Production	Provide leadership and direction to produce high quality water	3 / 4 / 5
Distribution and Collection	Provide leadership and direction to deliver potable and recycle water and collect wastewater	3 / 4 / 5
Heating and Cooling	Provide leadership and direction to provide chilled water and steam to customer	3 / 4 / 5
Engineering and Inspection	Provide leadership and direction to construction inspection, backflow/cross contamination and chlorination services.	3 / 4 / 5

2004 AMENDED BUDGET

Department Data

Office of the VP of Operations, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 830,809	\$ 830,809	649,375	27.9 %
Contractual Services	151,118	246,761	226,761	(33.4)
Materials and Supplies	16,648	1,408	1,408	1,082.4
Other Charges	66,312	-	-	-
Subtotal	\$ 1,064,887	\$ 1,078,978	877,544	21.3
Interfund Transfers	-	1	-	-
Net Requirements	\$ <u>1,064,887</u>	\$ <u>1,078,979</u>	<u>877,544</u>	<u>21.3 %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	12	-	5	-

Distribution & Collection Department, Purpose and Business Strategy

Purpose Statement

This Distribution and Collection Department is responsible for enhancing customer service and delivery by conducting efficient preventative and corrective maintenance activities of the water distribution and wastewater collection systems. The water distribution system includes the repair of mains, services, valves, fire hydrants; installation of individual services; and maintenance of water meters. Wastewater collection maintenance includes sewer line cleaning, jetting, vacuuming, and televising. The department is also responsible for operating the mobile communication center, coordinating utility locators, updating customer meter records and storing daily activity reports.

Activity	Description	Link to Corporate Goal
Repair	Repair of the water distribution and wastewater collection systems to ensure optimal performance.	1
Maintenance	Maintenance of the water distribution and wastewater collection systems to ensure optimal performance.	1

2004 AMENDED BUDGET

Department Data

Distribution & Collection Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 17,801,658	\$ 17,980,613	17,168,053	3.7 %
Contractual Services	5,814,379	6,215,345	6,420,720	(9.4)
Materials and Supplies	5,589,631	4,969,539	4,961,817	12.7
Other Charges	63,820	200,936	200,600	(68.2)
Subtotal	\$ 29,269,488	\$ 29,366,433	28,751,190	1.8
Interfund Transfers	(4,709,970)	(7,328,917)	(7,328,917)	(35.7)
Net Requirements	\$ 24,559,518	\$ 22,037,516	21,422,273	14.6 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Distribution and Collection	100	2	96	-

Production Department, Purpose and Business Strategy

Purpose Statement

The Production and Treatment Department is responsible for managing, controlling and operating the production of potable water to SAWS customers. The department also operates and maintains the recycle water booster stations and is responsible for maintaining the electrical, mechanical, instrumentation, control equipment, and other related components.

Activity	Description	Link to Corporate Goal
Production Maintenance	Provide emergency and preventative maintenance on the mechanical, electrical, instrumentation, and control system of the mechanical equipment	1 / 4 / 5
Water, Wastewater and Recycle Operations	Operate the water and recycle distribution systems and the wastewater lift stations to provide continuous service at appropriate flows and pressures.	1 / 4 / 5
Maintenance Engineering	Provide engineering support to develop standards, develop maintenance plans, develop new projects, and support maintenance activities.	1 / 3 / 4 / 5

2004 AMENDED BUDGET

Department Data

Production Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 4,136,246	\$ 4,145,178	4,062,239	1.8 %
Contractual Services	13,393,977	11,657,038	19,883,684	(32.6)
Materials and Supplies	1,725,085	1,527,961	1,601,821	7.7
Other Charges	12,951	7,488	7,320	76.9
Subtotal	\$ 19,268,259	\$ 17,337,665	25,555,064	(24.6)
Interfund Transfers	(228,604)	(218,001)	(218,006)	4.9
Net Requirements	\$ 19,039,655	\$ 17,119,664	25,337,058	(24.9) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Production	508	4	485	12

Engineering Services Department, Purpose and Business Strategy

Purpose Statement

Engineering & Inspection is responsible for construction inspection of water, waster and recycle projects. Additionally, management of backflow prevention Program, and oversight or utility work for new subdivisions, businesses and other locations are the responsibility of this department.

Activity	Description	Link to Corporate Goal
Backflow prevention and cross control program	Inspect potable and non-potable water services for backflow prevention assembly requirements including review of plans from customers, developers, and engineers.	3
Construction Inspection	Provide construction inspection services for Collection/Distribution, Production, Recycle, Heating and Cooling construction projects.	3
Engineering and Inspection	Monitor and coordinate design reviews for CIP projects with PPQC design personnel/project managers including review of consultant drawings and specifications.	3

2004 AMENDED BUDGET

Department Data

Engineering Services Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 2,514,964	\$ 2,514,964	2,464,865	2.0 %
Contractual Services	226,978	254,342	254,342	(10.8)
Materials and Supplies	116,800	129,400	129,400	(9.7)
Other Charges	9,733	4,325	4,325	125.0
Subtotal	\$ 2,868,475	\$ 2,903,031	2,852,932	0.5
Interfund Transfers	(2,868,475)	(2,903,031)	(2,803,361)	2.3
Net Requirements	\$ -	\$ -	49,571	(100.0) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Engineering Services	59	-	97	2

Heating & Cooling Department, Purpose and Business Strategy

Purpose Statement

The Heating and Cooling Department provides reliable and economical thermal services in the form of chilled water and steam to governmental and commercial customers in the San Antonio Downtown area, Kelly USA and Brooks A.F.B. The SAWS' Heating and Cooling system is composed of eight chilled water and steam facilities.

Activity	Description	Link to Corporate Goal
Chilled Water Production Operations	24/7 operation of chilled water production facilities, equipment and distribution system. Monitors, record and adjustment of equipment to maintain proper temperature and pressures to system customers. Test and manage water chemical treatment program.	1
Steam Production Operations	24/7 operation of steam production facilities, equipment (boilers, pumps) and distribution system. Monitors, maintains equip. logs and adjusts equipment to maintain proper system oper. parameters. Tests and manages water chemical treatment program.	1
Chilled Water Production Equipment Maintenance	Responsible for performing preventive, routine, corrective and emergency maintenance on chilled water production equipment (Chillers, pumps, electric switchgear) and auxiliaries. Includes calibration and certification of customers service meters.	1
Steam Production Equipment Maintenance	Responsible for performing preventive, routine, corrective and emergency maintenance on steam production equipment (Boilers, Traps, regulators, elec) and auxiliaries. Includes repair, calibration and certification of customer steam service meters.	1

Heating & Cooling Department, Budget

Operation & Maintenance by Expense Category

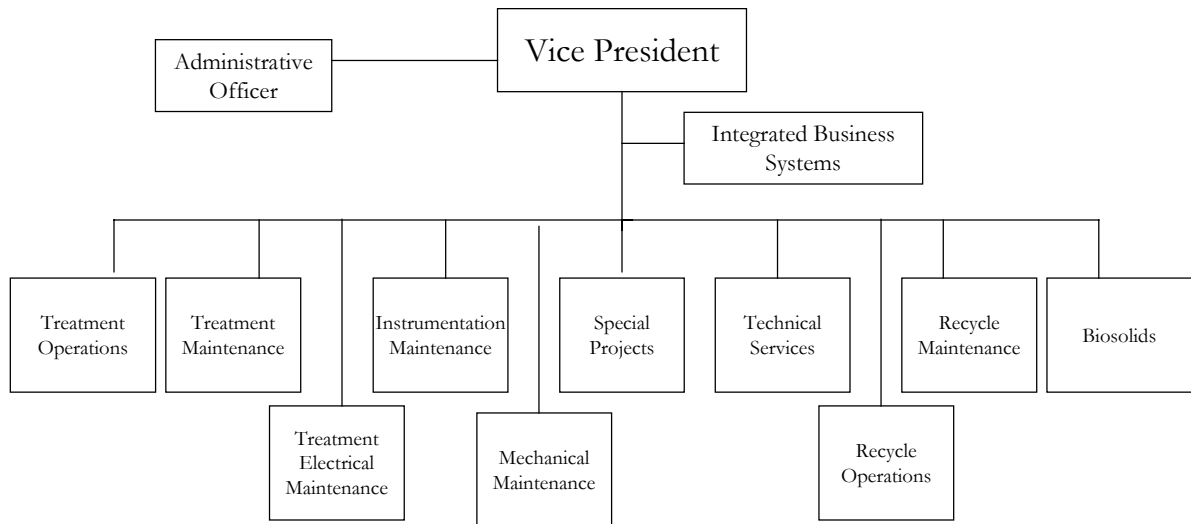
	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,539,420	\$ 1,539,419	1,573,439	(2.2) %
Contractual Services	6,404,708	6,404,704	4,969,313	28.9
Materials and Supplies	607,940	607,930	826,766	(26.5)
Other Charges	8,417	8,417	9,330	(9.8)
Subtotal	\$ 8,560,485	\$ 8,560,470	7,378,848	16.0
Interfund Transfers	-	-	-	-
Net Requirements	\$ 8,560,485	\$ 8,560,470	7,378,848	16.0 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Heating and Cooling	36	1	40	2

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Treatment Group Organization



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Treatment Group, Budget

Purpose Statement

The Treatment Group is responsible for the operation and maintenance of the Dos Rios, Leon Creek, Salado Creek, and Satellite Water Recycling Centers, which serve approximately 1,016,956 residents of the City of San Antonio and surrounding area. Each plant is a 24-hour/day operation for the mechanical and biological and disinfection of wastewater, along with the processing of wastewater biosolids for ultimate disposal. Their performance is measured by compliance with effluent discharge regulations

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 9,871,220	\$ 9,871,207	\$ 10,723,608	(7.9)
Contractual Services	12,332,492	10,362,139	13,066,015	(5.6)
Materials and Supplies	4,208,731	3,395,302	2,482,861	69.5
Other Charges	15,896	42,501	42,577	(62.7)
Subtotal	\$ 26,428,339	\$ 23,671,149	\$ 26,315,061	0.4
Interfund Transfers	(2,003,259)	(1,190,011)	(6,116,717)	(67.2)
Net Requirements	\$ 24,425,080	\$ 22,481,138	\$ 20,198,344	20.9

Full Time Equivalent Positions by Department

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	10	-	10	-
Treatment Operations	96	-	89	-
Treatment Maintenance	8	-	4	-
Treatment Electrical Maintenance	12	-	11	-
Treatment Instrumentation	11	-	11	-
Treatment Mechanical	41	-	48	-
Treatment Special Projects	34	-	34	-
Treatment Technical Services	12	1	10	-
Treatment Recycle Operations	-	-	1	-
Treatment Recycle Maintenance	-	-	-	-
Treatment Biosolids	2	-	7	-
Integrated Business Information	-	-	41	6
	226	1	266	6

Office of the VP of Treatment, Purpose and Business Strategy
Purpose Statement

The Office of the Vice President provides leadership, guidance and vision to the Group's management and staff. The Group maintains and operates four major wastewater treatment plants and will be adding a water treatment plant this year.

Activity	Description	Link to Corporate Goal
2 R Executive liaison & coordination	Liaison with SAWS groups, exec management, board members, attend meetings, give presentations	3
Manage Treatment Group Program	Manage, monitor, control, and direct activities for treatment group	3
Strategic Planning & System Development	3 R Planning and Budgeting to insure group activities are consistent with corporate mission, develop organizational plan to meet future system needs	3
4 R Treatment Engineering and Construction Program	Provide oversight and coordination with PPQC staff, outside consultants, and contractors. Plan & develop treatment facilities; provide adequate capacity for growth	4

2004 AMENDED BUDGET

Department Data

Office of the VP of Treatment, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 449,922	\$ 449,922	\$ 442,348	1.7 %
Contractual Services	352,390	757,353	743,598	(52.6)
Materials and Supplies	15,550	28,044	28,044	(44.6)
Other Charges	3,600	25,357	25,357	(85.8)
Subtotal	\$ 821,462	\$ 1,260,676	\$ 1,239,347	(33.7)
Interfund Transfers	-	-	-	-
Net Requirements	\$ <u>821,462</u>	\$ <u>1,260,676</u>	\$ <u>1,239,347</u>	<u>(33.7) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Office of the Vice President	10	-	10	-

Treatment Operations Department, Purpose and Business Strategy
Purpose Statement

The Treatment Operations Department staffs the Water Recycling Centers 24 hours per day, 365 days per year with Water Recycling Technicians. All Technicians are certified by the Texas Commission on Environmental Quality and are responsible for compliance with state and Federal discharge permits.

Activity	Description	Link to Corporate Goal
Training	Training and certification of operation's staff members in accordance with regulatory requirements	2
Safety Administration and Security	Coordinate and monitor worker safety program and security systems	2
Facility Modification	Review drawings and design and plans & specifications for process and all treatment functions	3
Liquid Treatment Processes	Provide wastewater treatment services for four major water recycling centers (WRCs), and four satellite facilities. Manage and sample remote stream outfalls, monitor recycle water system	3
Liquid Wastehauler Program	Manage disposal and treatment of septic and chemical toilet waste for San Antonio Region	1
Solids Processing	Process, dewater, and dispose of stabilized biosolids as a byproduct of the treatment process	5

2004 AMENDED BUDGET

Department Data

Treatment Operations Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 4,298,451	\$ 4,298,446	\$ 4,262,276	0.8 %
Contractual Services	7,217,015	5,535,131	4,297,938	67.9
Materials and Supplies	2,477,429	2,300,907	1,354,575	82.9
Other Charges	3,576	2,044	1,000	257.6
Subtotal	\$ 13,996,471	\$ 12,136,528	\$ 9,915,789	41.2
Interfund Transfers	-	-	-	-
Net Requirements	\$ 13,996,471	\$ 12,136,528	\$ 9,915,789	41.2 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Operations	96	-	89	-

Treatment Maintenance Department, Purpose and Business Strategy
Purpose Statement

The Maintenance Department provides continuous preventive and corrective maintenance for all of the Treatment Recycling Centers and Plants. Maintenance includes electrical, instrumentation, mechanical maintenance and special projects.

Activity	Description	Link to Corporate Goal
Safety and Administration	Conduct routine safety and administrative activities in support of Treatment and SAWS	2
Purchasing and Procurement	Perform multiple steps in material procurement process for all treatment functions	
SAWS Support	Support of other areas SAWS in construction or maintenance	3
Special Projects	Perform Major Construction Activities for all SAWS WRCs	3
Instrumentation and Control Maintenance	Perform all instrumentation and control maintenance for all SAWS water recycling centers	3
Electrical Maintenance	Perform all electrical maintenance for all SAWS water recycling centers	3
Mechanical Maintenance	Perform all mechanical maintenance for all SAWS water recycling centers	3
Facilities Modifications	Review drawings, designs, plans and specifications for process modifications or new facilities	3

Treatment Maintenance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 365,855	\$ 365,855	\$ -	- %
Contractual Services	758,799	460,000	460,000	65.0
Materials and Supplies	847,000	35,100	35,100	2,313.1
Other Charges	560	-	-	-
Subtotal	\$ 1,972,214	\$ 860,955	\$ 495,100	298.3
Interfund Transfers	-	-	-	-
Net Requirements	\$ <u>1,972,214</u>	\$ <u>860,955</u>	\$ <u>495,100</u>	<u>298.3</u> %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Maintenance	8	-	4	-

Treatment Electrical Maintenance Department, Purpose and Business Strategy

Purpose Statement

The Electrical Maintenance Department provides continuous preventive and corrective electrical maintenance for all of the Treatment Recycling Centers and Plants . Electrical Maintenance includes wiring, electrical systems, fuses, breaker boxes, motor control centers and area lighting.

Activity	Description	Link to Corporate Goal
Electrical Maintenance	Perform all electrical maintenance for all SAWS water recycling centers including major new installations.	3

Treatment Electrical Maintenance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 531,987	\$ 531,987	\$ 503,271	5.7 %
Contractual Services	129,300	304,000	304,000	(57.5)
Materials and Supplies	129,000	325,000	325,000	(60.3)
Other Charges	1,000	2,000	2,000	(50.0)
Subtotal	\$ 791,287	\$ 1,162,987	\$ 1,134,271	(30.2)
Interfund Transfers	(50,000)	(75,000)	(75,000)	(33.3)
Net Requirements	\$ 741,287	\$ 1,087,987	\$ 1,059,271	(30.0) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Electrical Maintenance	12	-	11	-

Treatment Instrumentation Maintenance Department, Purpose and Business Strategy

Purpose Statement

The Instrumentation Maintenance Department provides continuous preventive and corrective maintenance of the instrumentation and digital control systems for all of the Treatment Recycling Centers and Plants. Maintenance includes flow level monitoring equipment, meters, gauges, and calibration of all monitoring equipment.

Activity	Description	Link to Corporate Goal
Instrumentation Maintenance	Perform all instrumentation maintenance for all SAWS water recycling centers including major new installations.	3 / 5

Treatment Instrumentation Maintenance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 512,727	\$ 512,729	\$ 466,684	9.9 %
Contractual Services	116,291	169,112	170,112	(31.6)
Materials and Supplies	114,500	219,840	220,840	(48.2)
Other Charges	2,100	700	700	200.0
Subtotal	\$ 745,618	\$ 902,381	\$ 858,336	(13.1)
Interfund Transfers	(50,000)	(15,000)	(15,000)	233.3
Net Requirements	\$ <u>695,618</u>	\$ <u>887,381</u>	\$ <u>843,336</u>	<u>(17.5) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Instrumentation	11	-	11	-

Treatment Mechanical Maintenance Department, Purpose and Business Strategy

Purpose Statement

The Mechanical Maintenance Department provides continuous preventive and corrective maintenance for all of the Treatment Recycling Centers and Plants. Mechanical Maintenance provides maintenance on pumps, pipes, process control equipment, and plant water lines,

Activity	Description	Link to Corporate Goal
Mechanical maintenance	Perform all mechanical maintenance for all SAWS water recycling centers	3 / 5

Treatment Mechanical Maintenance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,729,876	\$ 1,729,864	\$ 1,956,246	(11.6) %
Contractual Services	273,193	492,430	492,430	(44.5)
Materials and Supplies	480,300	325,326	325,326	47.6
Other Charges	4,100	7,500	7,500	(45.3)
Subtotal	\$ 2,487,469	\$ 2,555,120	\$ 2,781,502	(10.6)
Interfund Transfers	(50,000)	(75,000)	(75,000)	(33.3)
Net Requirements	\$ <u>2,437,469</u>	\$ <u>2,480,120</u>	\$ <u>2,706,502</u>	<u>(9.9) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Mechanical	41	-	48	-

Treatment Special Projects Department, Purpose and Business Strategy

Purpose Statement

The Special Projects Department provides facility maintenance, installation of new process control equipment, painting, and labeling. This department also maintains the machine shop, carpentry shop, and provides on site and remote welding services.

Activity	Description	Link to Corporate Goal
Special Projects Construction	Perform major construction activities for all SAWS WRC's such as major equipment installations, concrete and support work, metal buildings, air & water supply lines, road construction & maintenance.	3 / 5

Treatment Special Projects Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 1,147,738	\$ 1,147,740	\$ 1,182,120	(2.9) %
Contractual Services	393,131	389,899	389,899	0.8
Materials and Supplies	113,708	141,233	141,233	(19.5)
Other Charges	-	4,200	4,200	(100.0)
Subtotal	\$ 1,654,577	\$ 1,683,072	\$ 1,717,452	(3.7)
Interfund Transfers	(1,385,000)	(865,000)	(865,000)	60.1
Net Requirements	\$ <u>269,577</u>	\$ <u>818,072</u>	\$ <u>852,452</u>	<u>(68.4) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Special Projects	34	-	34	-

Treatment Technical Services Department, Purpose and Business Strategy
Purpose Statement

The Technical Services Department develops and implements new centralized services for the Treatment Group and covers new projects for reuse activities. The department covers two main areas; Effluent Programs and Biosolids Management.

Activity	Description	Link to Corporate Goal
Contract coordination	Manage SAWS contractors and service providers for the treatment group	3
Facility engineering and construction management	Review drawings, designs, plans & specifications for process modifications or new facilities. Coordinate with PPQC staff members. Provide constructive interaction	3
Board of Directors Activities	Develop, format and administer board agenda items. Coordinate with other SAWS groups as needed	1
Neighborhood community and stakeholder outreach	Coordinate with WRC neighborhoods, community leaders, and Mitchell Lake Wetlands Society. Conduct meetings, give presentations.	1
Regulatory and legal compliance programs:	Maintain and assure compliance with environmental and regulatory permits and licensed; maintain technical databases and prepare regulatory reports.	5

Treatment Technical Services Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 834,502	\$ 834,502	\$ 649,286	28.5 %
Contractual Services	74,862	36,088	36,088	107.4
Materials and Supplies	12,816	1,420	1,420	802.5
Other Charges	960	700	700	37.1
Subtotal	\$ 923,140	\$ 872,710	\$ 687,494	34.3
Interfund Transfers	(468,259)	(160,000)	(160,000)	192.7
Net Requirements	\$ <u>454,881</u>	\$ <u>712,710</u>	\$ <u>527,494</u>	<u>(13.8) %</u>

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Technical Services	12	1	10	0

Recycle Operations Department, Purpose and Business Strategy

Purpose Statement

The Recycle Operations Department operation the system producing and pumping treated effluent back into the recycle water distribution system and through the remote outfalls.

Activity	Description	Link to Corporate Goal
Recycle system operations	Supply and monitor the recycle water supply system.	5

Recycle Operations Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 162	\$ 162	\$ 71,289	(99.8) %
Contractual Services	537	537	-	-
Materials and Supplies	13,428	13,428	-	-
Other Charges	-	-	-	-
Subtotal	\$ 14,127	\$ 14,127	\$ 71,289	(80.2)
Interfund Transfers	-	-	-	-
Net Requirements	\$ 14,127	\$ 14,127	\$ 71,289	(80.2) %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Recycle Operations	-	-	1	-

Recycle Maintenance Department, Purpose and Business Strategy

Purpose Statement

The Recycle Maintenance Department provides preventive and corrective maintenance for the recycle operations. Components include electrical, instrumentation, mechanical maintenance and special projects.

Activity	Description	Link to Corporate Goal
Recycle system maintenance	Perform all general, mechanical, electrical, instrumentation and control maintenance for SAWS recycle water supply source	5

Recycle Maintenance Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ -	\$ -	\$ -	- %
Contractual Services	10,000	9,996	20,300	(50.7)
Materials and Supplies	5,000	5,004	17,766	(71.9)
Other Charges	-	-	-	-
Subtotal	\$ 15,000	\$ 15,000	\$ 38,066	(60.6)
Interfund Transfers	-	-	-	-
Net Requirements	\$ <u>15,000</u>	\$ <u>15,000</u>	\$ <u>38,066</u>	<u>(60.6)</u> %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Recycle Maintenance	-	-	-	-

Treatment Biosolids Department, Purpose and Business Strategy

Purpose Statement

The biosolids department plans and manages the treatment and disposition of biosolids produced by the sludge treatment process. Compliance with Environmental Protection Agency and Texas Commission on Environmental Quality regulations is maintained in the disposition of biosolids

Activity	Description	Link to Corporate Goal
Solids Processing	Process, dewater, and dispose of stabilized biosolids as a byproduct of the treatment process	5

2004 AMENDED BUDGET

Department Data

Treatment Biosolids Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ -	\$ -	\$ -	- %
Contractual Services	2,250,774	2,051,389	2,051,389	9.7
Materials and Supplies	-	-	-	-
Other Charges	-	-	-	-
Subtotal	\$ 2,250,774	\$ 2,051,389	\$ 2,051,389	9.7
Interfund Transfers	-	-	-	-
Net Requirements	\$ 2,250,774	\$ 2,051,389	\$ 2,051,389	9.7 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Treatment Biosolids	2	-	7	-

Integrated Resource Planning Department, Purpose and Business Strategy

Purpose Statement

The Integrated Business Information Systems Department is responsible for planning, designing and implementing an integrated software system to meet the business and information needs at SAWS.

Activity	Description	Link to Corporate Goal
	Plan, design and implement enterprise resource planning system for SAWS	3

2004 AMENDED BUDGET

Department Data

Integrated Resource Planning Department, Budget

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ -	\$ -	\$ 1,190,088	(100.0) %
Contractual Services	756,200	156,204	4,100,261	(81.6)
Materials and Supplies	-	-	33,557	(100.0)
Other Charges	-	-	1,120	(100.0)
Subtotal	\$ 756,200	\$ 156,204	\$ 5,325,026	(85.8)
Interfund Transfers	-	(11)	(4,926,717)	(100.0)
Net Requirements	\$ 756,200	\$ 156,193	\$ 398,309	89.9 %

Full Time Equivalent Positions

	2004		2003	
	Full-Time	Part-Time	Full-Time	Part-Time
Integrated Business Information	-	-	41	6

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Other Requirements, Purpose and Budget
Purpose Statement

Other Requirements has been established to account for maintenance and operational expenses which impact the overall system and are difficult to associate with specific cost centers. These expenses affect all cost centers within the system and are accumulated within this center to facilitate the budgeting and accounting process.

Operation & Maintenance by Expense Category

	2004 Amended	2004 Approved	2003 Approved	% Change from 2003
Personal Services	\$ 6,499,232	\$ 5,051,360	\$ 2,493,543	160.6 %
Contractual Services	(749,307)	(812,949)	2,765,612	(127.1)
Materials and Supplies	1,194,606	-	-	-
Other Charges	11,751,144	12,213,816	7,885,950	49.0
	<hr/>	<hr/>	<hr/>	
Subtotal	\$ 18,695,675	\$ 16,452,227	\$ 13,145,105	42.2
Interfund Transfers	(2,188,628)	(1,914,078)	(2,261,553)	(3.2)
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Net Requirements	\$ 16,507,047	\$ 14,538,149	\$ 10,883,552	51.7 %

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2004 AMENDED BUDGET

Debt Service

DebtService

Total Revenue and Refunding Bonds

Fiscal Year Ending December 31.	Sr. Lien	Jr. Lien	Subordinate Lien	Total
2004	\$ 45,406,011	\$ 10,338,907	\$ 7,470,193	\$ 63,215,110
2005	51,740,642	10,337,402	7,469,896	69,547,940
2006	51,725,880	12,061,181	7,474,527	71,261,588
2007	52,927,841	12,923,051	7,476,377	73,327,270
2008	53,919,369	12,934,793	7,479,328	74,333,491
2009	53,521,073	12,950,270	7,482,918	73,954,261
2010	52,707,033	12,968,110	7,487,097	73,162,240
2011	52,252,277	12,982,794	7,487,669	72,722,739
2012	51,869,298	13,051,347	7,490,138	72,410,783
2013	51,583,687	13,094,265	7,492,468	72,170,419
2014	53,107,995	13,108,291	7,494,437	73,710,724
2015	53,054,834	13,132,741	7,498,576	73,686,150
2016	52,247,607	13,009,938	7,503,361	72,760,905
2017	51,403,644	12,962,776	7,505,284	71,871,704
2018	48,889,685	13,535,231	7,508,997	69,933,912
2019	54,264,624	7,531,604	7,511,951	69,308,179
2020	58,129,498	4,394,793	7,515,945	70,040,235
2021	59,608,110	3,001,822	7,520,979	70,130,911
2022	60,800,704	767,765	7,527,906	69,096,376
2023	61,274,130	-	7,532,514	68,806,644
2024	61,407,852	-	7,536,503	68,944,355
2025	61,477,634	-	7,543,500	69,021,134
2026	61,690,091	-	7,545,586	69,235,677
2027	62,651,219	-	7,550,525	70,201,744
2028	27,293,010	-	7,557,957	34,850,968
2029	9,292,969	-	7,563,290	16,856,259
2030	9,302,865	-	7,570,066	16,872,931
2031	9,315,969	-	7,575,811	16,891,780
2032	3,119,458	-	7,581,745	10,701,204
	<u>\$ 1,375,985,007</u>	<u>\$ 205,087,080</u>	<u>\$ 217,955,545</u>	<u>\$ 1,799,027,633</u>

Senior Lien Revenue and Refunding Bonds

Fiscal Year Ending December 31.	Principal	Interest	Total
2004	\$ 6,638,333	\$ 38,767,677	45,406,011
2005	13,256,667	38,483,976	51,740,642
2006	13,921,667	37,804,213	51,725,880
2007	15,910,000	37,017,841	52,927,841
2008	17,760,000	36,159,369	53,919,369
2009	18,308,333	35,212,740	53,521,073
2010	18,441,667	34,265,366	52,707,033
2011	18,903,333	33,348,944	52,252,277
2012	19,455,000	32,414,298	51,869,298
2013	20,191,667	31,392,020	51,583,687
2014	22,810,000	30,297,995	53,107,995
2015	23,991,667	29,063,167	53,054,834
2016	24,493,333	27,754,273	52,247,607
2017	24,990,000	26,413,644	51,403,644
2018	23,848,333	25,041,351	48,889,685
2019	30,538,333	23,726,291	54,264,624
2020	36,060,000	22,069,498	58,129,498
2021	39,460,000	20,148,110	59,608,110
2022	42,715,000	18,085,704	60,800,704
2023	45,438,333	15,835,797	61,274,130
2024	47,958,333	13,449,519	61,407,852
2025	50,536,667	10,940,968	61,477,634
2026	53,393,333	8,296,758	61,690,091
2027	57,065,000	5,586,219	62,651,219
2028	24,551,667	2,741,344	27,293,010
2029	7,885,000	1,407,969	9,292,969
2030	8,288,333	1,014,531	9,302,865
2031	8,715,000	600,969	9,315,969
2032	2,953,333	166,125	3,119,458
	<u>\$ 738,478,333</u>	<u>\$ 637,506,674</u>	<u>\$ 1,375,985,007</u>

Junior Lien Revenue and Refunding Bonds

Fiscal Year Ending December 31,	Principal	Interest	Total
2004	\$ 4,883,333	\$ 5,455,574	10,338,907
2005	5,033,333	5,304,068	10,337,402
2006	6,918,333	5,142,848	12,061,181
2007	7,991,667	4,931,385	12,923,051
2008	8,253,333	4,681,460	12,934,793
2009	8,535,000	4,415,270	12,950,270
2010	8,836,667	4,131,444	12,968,110
2011	9,153,333	3,829,460	12,982,794
2012	9,543,333	3,508,014	13,051,347
2013	9,931,667	3,162,598	13,094,265
2014	10,315,000	2,793,291	13,108,291
2015	10,731,667	2,401,074	13,132,741
2016	11,025,000	1,984,938	13,009,938
2017	11,413,333	1,549,443	12,962,776
2018	12,443,333	1,091,898	13,535,231
2019	6,940,000	591,604	7,531,604
2020	4,093,333	301,459	4,394,793
2021	2,858,333	143,489	3,001,822
2022	736,667	31,099	767,765
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030	-	-	-
2031	-	-	-
2032	-	-	-
	<u>\$ 149,636,667</u>	<u>\$ 55,450,414</u>	<u>\$ 205,087,080</u>

Subordinate Lien Revenue and Refunding Bonds

Fiscal Year Ending December 31.	Principal	Interest	Expenses	Total
2004	\$ 2,048,333	\$ 5,065,185	\$ 356,675	7,470,193
2005	2,140,000	4,979,564	350,332	7,469,896
2006	2,240,000	4,890,112	344,415	7,474,527
2007	2,341,667	4,796,480	338,230	7,476,377
2008	2,448,333	4,698,599	332,396	7,479,328
2009	2,561,667	4,596,258	324,993	7,482,918
2010	2,680,000	4,489,181	317,916	7,487,097
2011	2,800,000	4,377,157	310,512	7,487,669
2012	2,926,667	4,260,117	303,355	7,490,138
2013	3,060,000	4,137,782	294,686	7,492,468
2014	3,198,333	4,009,874	286,230	7,494,437
2015	3,345,000	3,876,184	277,392	7,498,576
2016	3,498,333	3,736,363	268,665	7,503,361
2017	3,656,667	3,590,132	258,485	7,505,284
2018	3,823,333	3,437,284	248,380	7,508,997
2019	3,996,667	3,277,468	237,816	7,511,951
2020	4,178,333	3,110,408	227,204	7,515,945
2021	4,370,000	2,935,753	215,226	7,520,979
2022	4,571,667	2,753,087	203,152	7,527,906
2023	4,780,000	2,561,992	190,523	7,532,514
2024	4,996,667	2,362,188	177,649	7,536,503
2025	5,226,667	2,153,327	163,506	7,543,500
2026	5,461,667	1,934,852	149,067	7,545,586
2027	5,710,000	1,706,555	133,971	7,550,525
2028	5,971,667	1,467,877	118,414	7,557,957
2029	6,243,333	1,218,261	101,696	7,563,290
2030	6,528,333	957,290	84,443	7,570,066
2031	6,825,000	684,405	66,406	7,575,811
2032	7,135,000	399,120	47,625	7,581,745
	<u>\$ 118,763,332</u>	<u>\$ 92,462,853</u>	<u>\$ 6,729,360</u>	<u>\$ 217,955,545</u>

Tax Exempt Commercial Paper**Commercial Paper Program Balances, January 1, 2004**

Commercial Paper Line of Credit	\$350,000,000
Commercial Paper Notes Payable	\$269,000,000
Capital Commitments to Commercial Paper	\$309,767,630

2004 Commercial Paper Program Forecasted Activities

Refunding of Commercial Paper	\$100,960,732
Commercial Paper Funding of 2004 Capital Improvement Program	\$97,166,277
Projected Average Interest Rate	1.40%
Projected Average Commercial Paper Balance	\$305,973,175
Projected Commercial Paper Debt Service	\$4,283,624

2004 AMENDED BUDGET

Debt Service

Notes Payable

Fiscal Year Ending December 31,	Notes Payable - CPS Water Rights			Capital Lease Payments	Total
	Principal	Interest	Total	Forecast	Forecast
2004	\$335,547	\$144,453	\$480,000	\$456,000	\$936,000
2005	\$361,596	\$118,404	\$480,000	\$456,000	\$936,000
2006	\$389,668	\$90,332	\$480,000	\$456,000	\$936,000
2007	\$419,918	\$60,082	\$480,000	\$456,000	\$936,000
2008	\$452,518	\$27,482	\$480,000	\$456,000	\$936,000
2009	\$118,515	\$1,485	\$120,000	\$456,000	\$576,000
	<u>\$ 2,077,762</u>	<u>\$ 442,238</u>	<u>\$ 2,520,000</u>	<u>\$ 2,736,000</u>	<u>\$ 5,256,000</u>

2004 AMENDED BUDGET

Ordinance Requirements

Ordinance Requirements

City Payment

Total Revenues	\$	278,492,087	
Less Revenues from:			
City Public Service contract	\$	2,000,000	
Interest on CPS contract		110,545	
Other financing sources		4,867,375	
Interest on Debt Service and Project Funds		3,442,500	
Gross Revenues as defined by Ordinance No. 75686	\$	268,071,667	
Adjustments to Gross Revenues			
EAA Fee	\$	6,309,136	
Stormwater		2,746,327	
Interest on Debt Service and Project Funds		(3,442,500)	
			5,612,963
	\$		262,458,704
Estimated percentage of gross revenues to be paid to the City of San Antonio			2.7%
Total Transfer to City of San Antonio	\$		<u>7,086,385</u>

2004 AMENDED BUDGET

Ordinance Requirements

Debt Coverage Ratio

Total Revenues	\$ 278,492,087
Less Revenues from:	
City Public Service contract	2,000,000
Interest on CPS contract	110,545
Other financing sources	4,172,368
Interest on Debt Service and Project Funds	3,442,500
	<hr/>
Gross Revenues as defined by Ordinance No. 75686	\$ 268,766,674
Less: Operations & Maintenance	167,063,517
	<hr/>
Net Revenues as defined by Ordinance No. 75686	101,703,157
Add Additional Revenues:	
Grants	-
Donations	-
Income from U.S. Govt.	-
	<hr/>
	-
	<hr/>
Pledged Revenues as defined by Ordinance No. 75686	\$ 101,703,157
Maximum Senior Annual Senior Lien Debt Service Requirement (Year 2027)	\$ 74,196,829
Maximum Annual Senior Lien Debt Coverage Ratio	<u><u>1.37</u></u>
Annual Senior Lien Debt Service Requirement	\$ 52,469,211
Senior Lien Debt Coverage Ratio	<u><u>1.94</u></u>
Maximum Annual Combined Bonded Debt Service Requirement (Year 2008)	\$ 74,333,491
Maximum Annual Combined Bonded Debt Coverage Ratio	<u><u>1.37</u></u>
Annual Combined Debt Service Requirement	\$ 63,215,110
Annual Combined Debt Coverage Ratio	<u><u>1.61</u></u>

2004 AMENDED BUDGET

Ordinance Requirements

Operating Reserve

Forecasted Operations and Maintenance Budget for Year 2005	\$ 180,487,926
Operating Reserve Requirement per City Ordinance No. 75686	\$ 30,081,321
Less: Operating Reserve Currently budgeted	<u>\$ 27,427,355</u>
Total Increase in Operating Reserve Requirement	<u>\$ 2,653,966</u>

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Reference

Financial Policies

Accounting Standards

SAWS applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as any FASB statements and interpretations, APB opinions and ARB's issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

Fund Accounting

Within SAWS' enterprise fund accounts, separate self-balancing funds are maintained to account for resources for various purposes, thereby distinguishing balances restricted by management or outside sources from unrestricted resources. These restrictions are more fully explained in Note B. Interfund receivable and payable accounts have been eliminated in the financial statements.

Funds being designated for conservation are presented by reclassifying assets from unrestricted to restricted

Business Segments:

System Fund operations are segregated into four core businesses. SAWS' reporting structure on the four utilities follows:

Water Supply

Functions related to the development and provision of additional water resources

Water Delivery

The function of distributing water to the customer

Wastewater

The functions of collecting and treating wastewater from the user customer.

Chilled Water & Steam

Chilled Water and Steam – the function related to providing chilled water and steam to specific customers

of the System

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting and on the flow of economic resources measurement focus. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary Funds distinguish operating revenues and expenses from non-operating items. The principal operating revenues of the System are charges to customers for water and wastewater services. Operating expenses include the cost of service, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the System's policy to use restricted first, then unrestricted resources, as they are needed.

Annual Budget

San Antonio Water System (SAWS) prepares and presents, sixty days prior to the beginning of each fiscal year, an annual budget prepared on an accrual basis to serve as a tool in controlling and administering the management and operation of the System. The annual budget reflects an estimate of Gross Revenues and an estimate of the disposition of these revenues in accordance with the flow of funds required by Ordinance No. 75686. The annual budget is submitted to City Council for review and consultation. SAWS may subsequently modify its approved budget by giving notice thereof to the City.

Planning Process

Summary

The San Antonio Water System has a major planning cycle once a year. The process is comprehensive and includes both short-term and long-term elements. The cornerstone of the process is the financial planning model, a twenty-year model where all major elements necessary to complete a financial forecast are represented: revenues, expenses, capital requirements, debt service, ordinance requirements, interest rate assumptions, fund balance forecasts, and a plan of finance.

The revenues are computed based on customer and use per bill forecasts. These units are projected using multivariate statistical models developed using SPSS software. Variables that are analyzed are weather statistics, trends, and economic variables.

The expense projections are based on the estimates received from the managers of the over 400 cost centers in the organizational structure of SAWS. Managers are required to give detailed estimates by account in addition to their projected personnel resource needs. Once the estimates are received and compiled, the executive management reviews the budget alignment with the strategic plan and makes adjustments accordingly.

The other inputs to the financial model are developed using various internal and external sources, and the results are reviewed with all stakeholders, including user areas, management, the Board of Trustees, and City Staff. An operational budget must be approved within 60 days of the following fiscal year, which for SAWS starts on January 1.

Budget Calendar

April 2003	Assemble Rates Advisory Committee
May 2003	Strategic Planning Forms 1A & 1B Due Definition of Recurring Activities and Non-Recurring Projects
	Strategic Planning Form 2 Due Details on Activities and Projects
	Review strategic plan
	Develop broad budget goals and strategy
	Develop revenue forecast
	Update financial model
	Strategic Planning Form 3 Due Cost Distribution of Activities and Projects
	Establish budgeting parameters and guidelines
June 2003	Budget kickoff and information sessions
	Budget training begins
	Departments begin preparation of detailed budgets
	Define organizational changes
	Submit cost center budgets to Financial Planning
July 2003	Budget compilation, review, and analysis
September 2003	Consensus and approval by Executive Management
	Presentation to Board subcommittees
	Briefing to Board of Trustees
October 2003	Board approval
	Preparation of budget document
January 2004	Budget implementation
February 2004	Water & Wastewater rate adjustment approved by Board of Trustees
	Water & Wastewater rate adjustment approved by City Council
March 2004	New rates effective
April 2004	New rates billed
	Review and analysis of additional revenue and new programs for inclusion in budget
	Consensus and approval by Executive Management
May 2004	Approval of Amended Budget by Board of Trustees

Planning Timeline

	2003								2004				
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
2004 Strategic Plan													
	█												
Multi Year Financial Plan													
← Revenue Forecast	█	█	█	█	█	█	█	█					
Update Financial Model	█	█	█	█	█	█	█	█					
2004 Budget Planning Process													
Establish budgeting parameters and guidelines		█											
Operating Budget Development		█	█	█	█	█	█	█					
Budget Review and Analysis													
Executive Management Review													
Board Approval													
Cost of Service / Rate Development Process													
← Cost of Service Study and Public Participation process	█	█	█	█	█	█	█	█	█	█	█	█	█
Develop Draft Water / Wastewater Rates													
Briefings to City, staff & community													
Briefing to Board subcommittee													
Approval by Board and City Council													
Public notification													
Implementation of New Rates													
2004 Budget Amendment													
Review & analysis of additional revenue/new programs for inclusion in budget													
Executive Management Review													
Board Approval													

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Cost Center Listing

Co.	HEIRARCY	COST CENTER NAME
BOARD OF TRUSTEES		
A	111011000	Board of Trustees
CORPORATE SERVICES GROUP		
CEO Department		
A	211011000	Office of the President/CEO
A	211031000	Office of Energy Management
Legal Department		
A	212011000	Legal Department
Water Law		
A	212021000	Water Law
I	212021200	Water Supply Projects General
I	212021201	Edwards Groundwater
R	212021202	Recycled Water - Operations
I	212021203	Oliver Ranch
I	212021204	BSR Water Company
I	212021205	Western Canyon Project
I	212021206	ASR inside Bexar County
I	212021207	Gonzales County Carrizo Aquifer Project
I	212021208	Recharge Initiative
I	212021209	ASR Outside Bexar County
I	212021210	Lower Guadalupe Water Supply Project
I	212021211	Simsboro Aquifer Project
I	212021213	LCRA/SAWS Project
I	212021214	Sensitive Land Acquisitions Program
I	212021215	System Integration
I	212021216	Wilson County Carrizo Project
I	212021217	EAA Water Supply - General
Communications Department		
A	213011000	Communication Dept
I	213021000	Source Water and Watershed Education
O	213031000	Conservation - Education - 1
O	213032000	Conservation - Education - 2
O	213033000	Conservation - Education - 3
O	213034000	Conservation - Education - 4
Internal Audit Department		
A	215011000	Internal Audit Dept
Contracting Department		
A	216011000	Contracting Dept
A	216012000	Purchasing Division
A	216013000	Construction Contracts Division
A	216014000	Bottled Water Project
A	515441000	Records Management
Financial Services Department		
A	512011000	Financial Services Dept
A	512021000	Accounting Division
A	512031000	Financial Planning Division
A	512041000	Treasury Division
A	512071000	Accounts Payable
A	512081000	Application Analyst

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Customer Service Department	
A	513011000	Customer Service Dept
A	513072000	Meter Reading
A	512051000	Remittance Processing Section
	Customer Contact Division	
A	513061000	Customer Contact Division
A	513064000	Service Centers - ESSC
A	513065000	Service Centers - DT
A	513066000	Service Centers - WSSC
A	513067000	Service Centers - NWSC
	Field Services Division	
A	513071000	Field Services Division
A	513073000	Field Service
A	513074000	Field Investigation
	Billing Division	
A	513081000	Billing Division
A	513082000	System Control
S	513083000	Stormwater Adjustment
W	513084000	Flat Rate and Surcharge
A	513085000	Final Bills
	Call Center Division	
A	513091000	Call Center Division
A	513092000	Call Center
A	513093000	Supervisor - Operations Center
A	513094000	Operations Center
	Logistics Department	
A	514011000	Logistics Dept
G	514021000	Supply
G	514022000	Communications Infrastructure
	Equipment Maintenance Division	
G	514031000	Equipment Maintenance Division
	Corporate Support Department	
A	515011000	Corporate Support Dept
	Human Resources Division	
A	515111000	Human Resources Division
A	515121000	HRIS-Records
A	515121040	Executive Development Program
A	515131000	Employment-EEO-Employee Relations
A	515141000	Compensation Benefits
A	515151000	Career Development-HR Training-Communications
A	515181000	Claims
A	515231000	Risk Management
A	515171000	Corporate Training

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Corporate Real Estate Division	
A	515211000	Corporate Real Estate Division
A	515221000	Food Service
	Facility Maintenance Section	
A	515241000	Facility Maintenance Section
A	515242000	Central Office Maintenance
A	515251000	Asset Management
A	515261000	Facility Management
A	515311000	Security
	Information Services Division	
A	515411000	Information Services Dept
A	515423000	Database Administration
	Application Services Section	
A	515422000	Applilcation Support
	Computer Operations Section	
A	515424000	Mainframe Services
A	515425000	Print Shop Services
	Technical Services Section	
A	515431000	Network Services
A	515432000	Technical Support
A	515433000	Technical Helpdesk
A	515434000	Technical Administration
A	515435000	Telecom Services
PLANNING, PROGRAMMING & QUALITY CONTROL GROUP		
A	311011000	PPQC VP
	Resource Quality Management Department	
W	314011000	Resource Quality Management Dept
	Laboratory Technical Services Division	
I	314021000	Technical Services - Water Treatment
W	314022000	Technical Services - Wastewater Treatment
W	314031000	Laboratory - Wastewater
A	314032000	Laboratory - Water
W	314041000	Laboratory - Biomonitoring
W	314051000	Laboratory - Biosolids
W	314061000	Laboratory - Field Support
S	314121000	Storm Water Lab Services
	Environmental and Safety Division	
W	314071000	Environmental Services
A	314081000	Safety
	Resource Protection & Compliance Department	
	Resource Protection & Compliance Div	
I	316011000	Resource Protection & Compliance Dept
W	316012000	Water Quality & Environmental Education
I	316013000	PGA Monitoring

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Resource Protection Division	
I	316031000	Resource Protection Division
I	316032000	Groundwater Resource Protection Division
I	316032034	Water Quality (WRAP 1)
I	316032035	Abandoned Well Abatement Project
I	316033000	Hydrogeologic Studies & Assessment
I	316033033	Edwards Aquifer Optimization Program
I	316033034	Water Quality
	Resource Compliance Division	Water Quality (WRAP 2)
W	316111000	Resource Compliance Division
	Surface Water Resource Protection Section	
S	316121000	Surface Water Resource Protection Division
S	316122000	Industrial Compliance
S	316123000	Construction Monitoring
W	316131000	Wastewater Compliance
W	316141000	Collection System Monitoring
W	316151000	Industrial Waste Division
W	316161000	Liquid Waste Division
R	316171000	Recycled Water
A	316181000	Potable Water
	Water Resources Department	
I	317011000	Water Resources Dept
	Edwards Aquifer Division	
I	317012000	Edwards Acquisitions
I	317012201	Edwards Groundwater
	Recycled Water Division	
R	317021000	Recycle Water Division
R	317021202	Recycled Water - Operations
	Supply Management Division	
I	317041000	Supply Management Division
I	317041200	Water Supply Projects General
I	317041203	Oliver Ranch
I	317041204	BSR - Water Company
I	317041205	Western Canyon Project w/ GBRA
I	317041206	ASR Inside Bexar County
I	317041207	Gonzales County Carrizo Aquifer Project
I	317041208	Recharge Initiative
I	317041209	ASR Outside Bexar County
I	317041210	Lower Guadalupe Water Supply Project
I	317041211	Simsboro Aquifer Project
I	317041213	LCRA/SAWS Project
I	317041214	Sensitive Land Acquisition Program
I	317041215	System Integration
I	317041216	Wilson County Carrizo Project

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	EAA Activities Division	
I	317051000	EAA Activities
I	317051217	EAA Water Supply - General
	Conservation Div. - Agricultural Planning	
O	318014192	Conservation - Agriculture - Direct Conservation
O	318014193	Conservation - Agriculture - Research and Education
O	318014194	Conservation - Agriculture - Projects
	Conservation Department	
	Conservation Division - Admin	
O	318011000	Conservation Section
O	318011101	CCC
O	318011102	Critical Period
O	318011103	Planning and Research
O	318011104	Warehouse
O	318011105	Communications
O	318011106	Regional Services
	Conservation Division - Residential	
O	318012000	Residential - Administration
O	318012008	Leon Creek Project
O	318012110	Residential - General Residential Indoor
O	318012111	Residential - Toilet Rebate
O	318012112	Residential - Toilet Distribution
O	318012113	Residential - Washright
O	318012114	Residential - Plumbers to People
O	318012115	Residential - Residential Indoor Audits
O	318012120	Residential - General Residential Outdoor
O	318012121	Residential - Watersaver
O	318012122	Residential - Rainsensor
O	318012123	Residential - Rain Harvesting/Greywater
O	318012124	Residential - ET Program
O	318012125	Residential - Residential Outdoor Audits
O	318012130	Residential - Public Education
O	318012131	Residential - Educational Items
O	318012132	Residential - Sponsorships
O	318012133	Residential - Events

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Conservation Division - Commercial	
O	318013000	Commercial - Administration
O	318013140	Commercial - General Commercial Indoor
O	318013141	Commercial - Toilet Rebate
O	318013142	Commercial - Toilet Distribution
O	318013143	Commercial - Washright
O	318013144	Commercial - Linen Change Program
O	318013150	Commercial - General Commercial Outdoor
O	318013151	Commercial - Watersaver
O	318013152	Commercial - Rainsensor
O	318013160	Commercial - Public Education
O	318013161	Commercial - Educational Items
O	318013162	Commercial - Sponsorships
O	318013163	Commercial - Events
O	318013164	Commercial - Watersaver Awards
O	318013165	Commercial - Workshops
O	318013170	Commercial - ICI Retrofits
O	318013171	Commercial - Large Scale Indoor
O	318013172	Commercial - Large Scale Outdoor
O	318013173	Commercial - Cooling Tower Audits
O	318013180	Commercial - Certification
O	318013181	Commercial - Carwash
O	318013182	Commercial - Apartment
O	318013183	Commercial - Hotel/Restaurant
O	318013184	Commercial - Schools
O	318013185	Commercial - Landscape Professional
O	318013186	Commercial - Other Certification
	Conservation Division - Other	
O	318014190	Conservation - Contract Media
O	318014191	Conservation - Leak Detection
	Major Projects Department	
I	412011000	Major Projects Dept
A	412021000	Collection and Distribution - Construction
I	412031000	Water Integration
A	412041000	Treatment Production Construction Management
I	412042000	Construction and Inspection - ASR
I	412051000	Project Coordinator - ASR
I	412052000	Project Coordinator - GBRA

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Production, Recycle, Treatment Engineering Department	
W	413011000	Production, Recycle, Treatment Eng. Dept
W	413021000	Treatment and Recycle Engineering
A	413031000	Production and Transmission Engineering
A	413041000	Right-of-Way
	Collection and Distribution Department	
W	414011000	Collection and Distribution Dept
W	414021000	Relocation
	Replacement & Improvements Division	
W	414031000	Replacement & Improvements
W	414032000	Survey
W	414033000	Design
W	414034000	Project Management
	Infrastructure Planning Department	Infrastructure Planning Dept
A	415011000	Infrastructure Planning Dept
	Master Planning Division	
A	415021000	Water Master Planning
W	415022000	Wastewater Master Planning
	Program Planning Division	
W	415031000	Program Planning Division
I	415032000	System Development Planning
I	415033000	Growth and Development
	Development Engineering Services Division	
W	415041000	Development Engineering Services Division
A	415042000	Mains and Services
	GIS Division	
I	415034000	Geographic Information Processing Services
A	415043000	Utility Locates
A	415051000	Mapping and Planning
OPERATIONS GROUP		
A	611011000	Operations VP
	Production and Treatment Department	
A	612011000	Production Department
A	612021000	Water Production and Treatment Engineering
A	612031000	Control Center
A	612041000	Energy-Production Analysis
	Production Maintenance Division	
A	613711000	Production Maintenance Division
A	613721000	Tank Maintenance Section
A	613731000	Primary Pumping Station Section
A	613751000	Electrical Maintenance Section
A	613761000	Mechanical Maintenance Section
R	613771000	Recycle Operations

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
		Water Supply Operations Section
I		613781000 Water Supply O&M
I		613781203 Water Supply - Oliver Ranch
I		613781204 Water Supply - BSR
I		613781206 ASR inside Bexar County
I		613781215 System Integration
I		613782000 Water Supply - ASR
I		613783000 Water Supply - System Integration
W	613791000	Lift Station Maintenance and Operations
	Distribution and Collection Department	
A	613011000	Distribution and Collection Dept
	Eastside Service Center Division	
A	613111000	Eastside Service Center
A	613121000	ESSC Water Maintenance
W	613131000	ESSC Wastewater Maintenance
I	613141000	Distribution - ASR
I	613151000	Distribution - System Integration
	Northeast Service Center Division	
A	613211000	Northeast Service Center
A	613221000	NESC Water Maintenance
W	613231000	NESC Wastewater Maintenance
	Northwest Service Center Division	
A	613311000	Northwest Service Center
A	613321000	NWSC Water Maintenance
W	613331000	NWSC Wastewater Maintenance
	Mission Service Center Division	
W	613411000	Mission Service Center
A	613421000	Mission Water Maintenance
W	613431000	Mission Wastewater Maintenance
	Kelly USA Service Center	
A	613511000	Kelly USA Service Center
A	613521000	Kelly Water Maintenance
W	613531000	Kelly Wastewater Maintenance
	Emergency Services Section	
A	613611000	Emergency Services Section
	Concrete & Asphalt Services	
A	614021000	Concrete & Asphalt Services
	Special Services Section	
W	614031000	Special Services
W	614032000	EARZ Televising Program
W	614033000	Collection PM Televising
W	614034000	Flow Monitoring
W	614035000	Odor Control Program
O	614036000	Leak Detection Program
A	614041000	Quality Assurance
W	614051000	Sewer Laterals
R	613161000	Distribution - Recycle

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Engineering Services & Inspections Department	
A	614011000	Engineering Services Dept
	Heating and Cooling Department	
J	615011000	Heating & Cooling Dept
J	615021000	Kelly Chilled Water
J	615022000	Kelly Steam
J	615031000	Brooks Chilled Water
J	615032000	Brooks Steam
J	615041000	Downtown Chilled Water
J	615042000	Downtown Steam
TREATMENT GROUP		
W	711011000	Treatment Group VP
W	711012000	Treatment Administration
W	711013000	Treatment Education
	Treatment Operations Department	
W	712001000	Operations - Dos Rios
W	712002000	Operations - Salado Creek
W	712003000	Operations - Leon Creek
W	712004000	Operations - Medio
W	712005000	Operations - ML
W	712006000	Operations - Taft
W	712007000	Operations - Culebra
W	712008000	Operations - SSISD
W	712009000	Operations - San Antonio Ranch
W	712010000	Operations - MDL
W	712011000	Operations - Abandoned
I	712012000	Operations - ASR
W	712099000	Operations - General
W	712401000	Wastehauler Program
	Treatment Maintenance Department	
W	713001000	Maintenance - Dos Rios
W	713002000	Maintenance - Salado Creek
W	713003000	Maintenance - Leon Creek
W	713004000	Maintenance - Medio
W	713005000	Maintenance - ML
W	713006000	Maintenance - Taft
W	713007000	Maintenance - Culebra
W	713008000	Maintenance - SSISD
W	713009000	Maintenance - San Antonio Ranch
W	713010000	Maintenance - MDL
W	713011000	Maintenance - Abandoned
I	713012000	Maintenance - ASR
W	713099000	Maintenance - General

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Treatment Electrical Maintenance Department	
W	713101000	Electrical Maintenance - Dos Rios
W	713102000	Electrical Maintenance - Salado Creek
W	713103000	Electrical Maintenance - Leon Creek
W	713104000	Electrical Maintenance - Medio
W	713105000	Electrical Maintenance - ML
W	713106000	Electrical Maintenance - Taft
W	713107000	Electrical Maintenance - Culebra
W	713108000	Electrical Maintenance - SSISD
W	713109000	Electrical Maintenance - San Antonio Ranch
W	713110000	Electrical Maintenance - MDL
W	713111000	Electrical Maintenance - Abandoned
I	713112000	Electrical Maintenance - ASR
W	713199000	Electrical Maintenance - General
	Treatment Instrumentation Maintenance Department	
W	713201000	Instrumentation Maintenance - Dos Rios
W	713202000	Instrumentation Maintenance - Salado Creek
W	713203000	Instrumentation Maintenance - Leon Creek
W	713204000	Instrumentation Maintenance - Medio
W	713205000	Instrumentation Maintenance - ML
W	713206000	Instrumentation Maintenance - Taft
W	713207000	Instrumentation Maintenance - Culebra
W	713208000	Instrumentation Maintenance - SSISD
W	713209000	Instrumentation Maintenance - San Antonio Ranch
W	713210000	Instrumentation Maintenance - MDL
W	713211000	Instrumentation Maintenance - Abandoned
I	713212000	Instrumentation Maintenance - ASR
W	713299000	Instrumentation Maintenance - General
	Treatment Mechanical Maintenance Department	
W	713301000	Mechanical Maintenance - Dos Rios
W	713302000	Mechanical Maintenance - Salado Creek
W	713303000	Mechanical Maintenance - Leon Creek
W	713304000	Mechanical Maintenance - Medio
W	713305000	Mechanical Maintenance - ML
W	713306000	Mechanical Maintenance - Taft
W	713307000	Mechanical Maintenance - Culebra
W	713308000	Mechanical Maintenance - SSISD
W	713309000	Mechanical Maintenance - San Antonio Ranch
W	713310000	Mechanical Maintenance - MDL
W	713311000	Mechanical Maintenance - Abandoned
I	713312000	Mechanical Maintenance - ASR
W	713399000	Mechanical Maintenance - General

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Treatment Special Projects Department	
W	713401000	Special Projects - Dos Rios
W	713402000	Special Projects - Salado Creek
W	713403000	Special Projects - Leon Creek
W	713404000	Special Projects - Medio
W	713405000	Special Projects - ML
W	713406000	Special Projects - Taft
W	713407000	Special Projects - Culebra
W	713408000	Special Projects - SSISD
W	713409000	Special Projects - San Antonio Ranch
W	713410000	Special Projects- MDL
W	713411000	Special Projects - Abandoned
I	713412000	Special Projects - ASR
W	713499000	Special Projects - General
	Treatment Technical Services Department	
W	714001000	Technical Services - Dos Rios
W	714002000	Technical Services - Salado Creek
W	714003000	Technical Services - Leon Creek
W	714004000	Technical Services - Medio
W	714005000	Technical Services - ML
W	714006000	Technical Services - Taft
W	714007000	Technical Services - Culebra
W	714008000	Technical Services - SSISD
W	714009000	Technical Services - San Antonio Ranch
W	714010000	Technical Services - MDL
W	714011000	Technical Services - Abandoned
W	714099000	Technical Services - General
	Treatment Recycle Operations Department	
R	714101000	Recycle Operations - Dos Rios
R	714102000	Recycle Operations - Salado Creek
R	714103000	Recycle Operations - Leon Creek
R	714104000	Recycle Operations - Medio
R	714105000	Recycle Operations - ML
R	714106000	Recycle Operations - Taft
R	714107000	Recycle Operations - Culebra
R	714108000	Recycle Operations - SSISD
R	714109000	Recycle Operations - San Antonio Ranch
R	714110000	Recycle Operations - MDL
R	714111000	Recycle Operations - Abandoned
R	714199000	Recycle Operations - General

2004 AMENDED BUDGET

Reference

Co.	HEIRARCY	COST CENTER NAME
	Treatment Recycle Maintenance Department	
R	714201000	Recycle Maintenance - Dos Rios
R	714202000	Recycle Maintenance - Salado Creek
R	714203000	Recycle Maintenance - Leon Creek
R	714204000	Recycle Maintenance - Medio
R	714205000	Recycle Maintenance - ML
R	714206000	Recycle Maintenance - Taft
R	714207000	Recycle Maintenance - Culebra
R	714208000	Recycle Maintenance - SSISD
R	714209000	Recycle Maintenance - San Antonio Ranch
R	714210000	Recycle Maintenance - MDL
R	714211000	Recycle Maintenance - Abandoned
R	714299000	Recycle Maintenance - General
	Treatment Biosolids Department	
W	714301000	Biosolids - Dos Rios
W	714302000	Biosolids - Salado Creek
W	714303000	Biosolids - Leon Creek
W	714304000	Biosolids - Medio
W	714305000	Biosolids - ML
W	714306000	Biosolids - Taft
W	714307000	Biosolids - Culebra
W	714308000	Biosolids - SSISD
W	714309000	Biosolids - San Antonio Ranch
W	714310000	Biosolids - MDL
W	714311000	Biosolids - Abandoned
W	714399000	Biosolids - General
	ERP Department	
A	519011000	ERP Capitalized
A	519021000	ERP Expensed
<i>OTHER REQUIREMENTS</i>		
A	811011000	Other Requirments

Account Codes

	<u>PERSONAL SERVICES</u>		
511100	Salaries	511315	Temporary Services
511140	Overtime	511320	Legal Services
511150	On Call Pay	511370	Communications
511160	Employee Insurance	511380	Data Processing Charges
511162	Employee Retirement	511390	Teleprocessing Charges
511164	Compensation for Unused Sick		<u>MATERIALS AND SUPPLIES</u>
511166	Personal Leave Bonus	511410	Small Tools
511168	Vacation Pay	511415	Expensed Assets
511169	Longevity Pay	511420	Operating Mat'ls and Supplies
511170	Incentive Pay	511421	Heating Fuel
	<u>CONTRACTUAL SERVICES</u>	511422	Chemicals, Medical and Drugs
511210	Operating Expense	511425	Education of School Children
511211	Rental of Facilities	511426	Public Awareness
511212	Alarm and Security	511427	Enforcement
511213	Collection Expense	511428	Program Materials
511214	Shoe Reimbursement	511430	Maintenance Materials/Supplies
511216	Catering Services	511440	Safety Materials and Supplies
511219	Program Rebates	511450	Tires and Tubes
511220	Maintenance Expense	511451	Motor Fuel
511221	Street Cut Permit Adm. Fees	511460	Cafeteria Food Supplies
511222	Street Pavement Repair Fees		<u>OTHER CHARGES</u>
511223	Preventative Maintenance	511510	Judgement and Claims
511224	Corrective Maintenance	511511	AL/GL Claims-Contingent Liab.
511225	Damage Repair	511520	Bank Charges
511230	Outside Equipment Rental	511522	Financing Charges
511235	W.C. Equipment Rental	511530	Employee Relations
511240	Travel	511560	Uncollectible Accounts
511245	Training	511570	General Liability & Fire Ins.
511247	Conferences	511580	Unemployment Compensation
511250	Memberships and Subscriptions	511590	Workers' Compensation
511260	Utilities	511600	WC - Contingent Liability
511261	Water Rights and Options	511610	WC - Comp & Benefits
511270	Postage	511620	WC - Misc. Claims Exp.
511280	Telemetering Charges	511720	Transfers to Other Funds
511310	Educational Assistance	511730	Intercompany Cost Allocations
511311	Sludge Removal and Haulage	511740	Intercenter Transfers
511312	Contractual Professional Services	Note	
511313	Inspection and Assessment Fees		

2004 AMENDED BUDGET

Reference

<u>140100</u>	Capital Outlay		
<u>141100</u>	Land & Land Rights		
<u>143500</u>	Heating and Cooling Equipment		
<u>143600</u>	Metering Devices		
<u>143700</u>	Machinery & Equipment - Other		
<u>143800</u>	Office Furniture and Equipment		
<u>143900</u>	Computer Hardware		
<u>144000</u>	Computer Software		
<u>144300</u>	Laboratory Equipment		
<u>144400</u>	Miscellaneous Equipment		
<u>144500</u>	Trucks and Automobiles		
<u>144600</u>	Heavy Equipment		
<u>144700</u>	Light Equipment		
<u>147700</u>	Stores-Shop-Garage Equipment		
<u>144800</u>	Communications Equipment		

Account Descriptions**PERSONAL SERVICES**

Salaries and Wages paid to employees of the System.

511100**SALARIES**

Salaries of personnel employed by the System.

511140**OVERTIME****511150****ON-CALL PAY****511160****EMPLOYEE INSURANCE**

Premiums paid by the System for employees group life, hospital, dental and accident insurance.

511162**EMPLOYEE RETIREMENT**

All costs paid by the System to the retirement system and survivors insurance. Incl System's participation in the Principal Mutual Life Insurance Company supp retirement plan.

511164**COMPENSATION FOR UNUSED SICK LEAVE**

Payments to employees who have accumulated over 110 days sick leave. Paym unused personal leave and sick leave according to established policy.

511166**PERSONAL LEAVE BONUS****511168****VACATION PAY**

Payments of unused vacation earned and paid to employees upon termination or re and the value of accrued vacation earned and not paid to employees. Also includes sick leave.

511169**LONGEVITY PAY****511170****INCENTIVE PAY**

CONTRACTUAL SERVICES

Expenditures for services that are obtained by an express or implied contract, or which are of such a nature that they normally could be obtained by such a contract.

511210 OPERATING EXPENSE

Miscellaneous expenses incurred during daily business operation and not currently covered under another account in this list.

Applicant Reimbursement	Office Plants
Automobile Allowances	Parking
Certification Fees	Photographs
Courier Service	Physical Examinations
Employment Advertising	Publication of Public Notices
Film Processing and Developing	Railroad Lease Fees
Freight Charges	Rubber Stamps
Hazardous Material Charge/Storage	Signs
Keys	Skill Improvement Materials
Professional License Fees	Transcripts
Maps Updated	Transporting Heavy Equipment
Microfilm Charges	Uniform Cleaning
Mileage Reimbursement	Water Bills from:
Moving Expenses	Bexar Metropolitan Water
Name Plates	Hill Country Waterworks
Negatives	Lackland City Water
Notary Fees	Wired Music

Includes miscellaneous permit fees not covered under 511313 Inspection and Assessment Fees.

511211 RENTAL OF FACILITIES

Expenditures for rent of property, including office or other space in buildings.

511212 ALARM AND SECURITY

Includes costs for monitoring services provided by outside contracts.

511213 COLLECTION EXPENSE

Payment to various water purveyors for billing and collecting of sewer bills e.g. San Fernando Water Company.

511214 SHOE REIMBURSEMENT

Reimbursement for required safety shoes.

511215 PROGRAM EXPENDITURES

Expenditures incurred for the maintenance of specific SAWS programs such as the I Fund "Kick the Can", "Plumbers for People" , and "Landscape Rebates" that need tracked by program.

511216 CATERING SERVICES AND LUNCHEONS

Costs for catering SAWS' sponsored events such as meetings, workshops, etc. provided at SAWS' Main Break Café or outside catering agencies. Includes business luncheons.

511219 PROGRAM REBATES**511220 MAINTENANCE EXPENSE**

Maintenance contracts and outside repairs which includes labor for:

Air Conditioners	Ice Machine
Blue Printing Machine	Laboratory Equipment
Boiler	Linen and Laundry Service
Cafeteria Equipment	Locksmith Services for:
Calculator	Buildings
Car Wash	Machinery
Cathodic Protection	Offset Press
Checksigner	Pest Control Services
Cleaning of Weirs	Phototypesetter
Computer	Postage Scale
Copy Machine	Pump
Dictation Equipment	Radio
Dust Control Service for:	Rewind Motors
Mops	Survey Equipment
Rags	State and Disposal Fees
Rugs	Termite Treatment
Wipes	Typewriter
Elevator	Vehicle
Fire Extinguisher Service	Welding Repairs to:
Garbage Pickup	Buildings & Structures
Gasoline Pump	Wrecker Service
Heavy Equipment	

Includes moving and re-installing of existing modular furniture.

511221 STREET CUT PERMIT ADMINISTRATIVE FEES

All fees incurred for a street cut permit application with the City of San Antonio. These include but are not limited to the application fee, inspection fee, permit expiration fee, electronic maps submittal fee, public inconvenience fee, and other administrative fees the City determines are applicable.

511222 STREET PAVEMENT REPAIR/RESTORATION FEES

All pavement restoration fees calculated by the City as per the restoration formula for work to be done by the City of San Antonio.

511223 PREVENTATIVE MAINTENANCE

Comprised of procedures that physically extend the life of a vehicle or piece of equipment, to include cleaning and lubricants, but it is not confined to these activities. For example, oil changes.

511224 CORRECTIVE MAINTENANCE

Any repair that is not scheduled preventive maintenance or damage repair.

511225 DAMAGE REPAIR

The total cost to repair a vehicle or piece of equipment due to an accident, whether repairs are performed in-house or outside.

511230 OUTSIDE EQUIPMENT RENTAL

Cost of renting equipment not currently available in our internal Working Capital Fu outside entities. This includes rental of :

Microcomputers
Copiers (straight lease)
Water dispensers
and other similar rentals.

Lease to own is a capital lease. Call Finance Department, General Accounts section for instructions.

511260 **UTILITIES**

Cost of natural gas and electricity used for machinery and other equipment and the heating and cooling of facilities throughout the System.

511261 **WATER RIGHTS AND OPTIONS**

511270 **POSTAGE**

All charges for mailing such as:

Box Rental	Postage Meter Reimbursement
Postage Due	Postage Meter Rental
Postal Fees	Stamps
Permit Imprint	

511280 **TELEMETERING CHARGES**

All charges for telemetering lines installed.

511310 **EDUCATIONAL ASSISTANCE**

School registration and tuition for employees.

511311 **SLUDGE REMOVAL AND HAULAGE**

Charges for removing and hauling sludge to the landfill.

511312 **CONTRACTUAL PROFESSIONAL SERVICES**

Fees and professional services contracted by or to an outside agency. Such as:

Appraiser Fees	Legislative Services
Capital Program Services	Pilot and Aircraft/Helicopter Rental
Certified Public Accountants	State Fee Levy
Consultant Services	Technical Assistance
Impact Fees	Translations
Laboratory Analysis Contracts	U.S. Geological Survey
Landfill Tipping Fees	
Movers	

Includes:

Charges for monitoring the quality of water in the aquifer.
Cost of studies and investigation on the Edwards Limestone formation.

511313 INSPECTION AND ASSESSMENT FEES

Fees paid for inspection of tanks and treatment plants and Water Quality Assessment paid to the state.

511315 TEMPORARY EMPLOYEES

Temporary employees contracted through outside employment agencies.

511320 LEGAL SERVICES

Charges for legal services performed on behalf of the System. Such as:

Lawsuits	Retainer Fees
Legal Opinions	Other Legal Services

511370 COMMUNICATIONS

Charges and services including installation such as:

Air Time	Monthly Billing
Fax Lines	portable (Cell) Phones
Fax Machine Service	Telegraph
Mobile Phones	Telephone

Includes GPS Vehicle Tracking purchase and service.

511380 DATA PROCESSING SERVICE CHARGES

Charges for data processing work done by the Information Services Department of the City of San Antonio.

511390 TELEPROCESSING CHARGES

Charges for controllers, terminals, printers and their maintenance from third party vendors.

MATERIALS AND SUPPLIES

Expenditures for materials and supplies either from the Working Capital Fund or purchased direct from vendors.

511410 SMALL TOOLS

All small tools costing less than \$150 such as:

Ax	Hoe
Boring Bar	Hose
Brooms	Lead Pots
Chalkline	Levels
Chisels	Metallic Tapes
Couplings	Mops
Curb Stop Keys	Paint Brushes
Cutter Blades	Picks
Cutter Wheels	Pliers
Cutters	Punches
Digging Bar	Putty Knives
Drill Bits	Rakes
Drills	Saws
Files	Screwdrivers
Flaring Tools	Shovels
Folding Rules	Sockets
Fork Keys	Steel Tapes
Grinding Wheels	Valve Locators
Hacksaw Blades	Vises
Hacksaws	Wire Brushes
Hammers	Wrenches

511415 EXPENSED ASSETS

Includes costs furniture, office equipment and computer hardware and software less \$1,000.00.

511420 OPERATING MATERIALS AND SUPPLIES

Materials and supplies required during normal daily business operation not involving maintenance such as:

Acid Flashlights	Notary Public Stamp
Batteries	Office Supplies
Binding, Printing, & Reproduction	Palm Pilots
Bottled Water	Plant Food
Chains	Public Information:
Chalk	Handouts
Chlordane	Leaflets
Chlorine	Pamphlets
Cleaners	Rain Pants
Conservation Devices	Reference Materials
Cylinder Rentals	Root Stimulators
Decals	Rope
Deionized (DI) Water	Rubber Boots
Disinfectants	Rulers
Drinking Cups	Salt Tablets
Dust Cloths	Small Tables
Engineering Rule	Soap
Film	Solar Coarse Salt
Flags (U.S. and Texas)	Solder
Floor Mats	Software under \$300
Fluorescent Lamps	Sponges
Folding Chairs	Stakes
Garbage Cans	Step Stools
Grease	Street Barricades
Ice	Sweeping Compound
Insecticides	Toilet Paper
Kerosene	Towels
Kool Cushions	Traffic Cones
Laboratory Supplies	Uniforms
Light Bulbs	Waste Baskets
Locks	Water
Meter Logs	Water Coolers

Includes portable structures expected to last less than ten years.

511421 HEATING FUEL

Charges for propane and supplemental fuel for boilers and pilots for waste gas flares

511422 CHEMICALS, MEDICAL & DRUGS

Chemicals and drugs used in treatment and laboratory processes.

511425 EDUCATION OF SCHOOL CHILDREN

Special expenditures for activities directed toward the education of school age children on topics of water quality, conservation, environmental awareness and pollution prevention required by City Ordinance No. 80574, passed and approved on August 4, 1994. Use of this account requires prior approval by the SAWS attorney responsible for the imposition and collection of civil penalties for environmentally related violations of Chapter 34 of the City Code.

511426 PUBLIC AWARENESS

Special expenditures for activities directed toward educating the public on topics of water quality and pollution prevention, as required by City Ordinance No. 80574, passed and approved on August 4, 1994. Use of this account requires prior approval by the attorney responsible for the imposition and collection of civil penalties for environmentally related violations of Chapter 34 of the City Code.

511427 ENFORCEMENT

Special expenditures for enhanced enforcement of Article V, Divisions 2 and 3, and Article VI, Divisions 2 and 4, of Chapter 34 of the San Antonio City Code, under which civil penalties are imposed by SAWS, as required by City Ordinance No. 80574, passed and approved on August 4, 1994.

Such expenditures for enhanced enforcement may include the cost of special enforcement personnel, as needed, the acquisition of additional enforcement related materials and equipment, and other special enforcement related activities. Use of this account requires prior approval by the SAWS attorney responsible for the imposition and collection of civil penalties for environmentally related violations of Chapter 34 of the City Code.

511428 PROGRAM MATERIALS

Materials used for specific SAWS programs

511430**MAINTENANCE MATERIALS AND SUPPLIES**

Materials and supplies used for maintaining equipment, machinery, structures, and v
such as:

A.C. Adapters	Meter Box
Automotive Batteries	Meter Connections
Backhoe Teeth	Mud Flaps
Battery Cables	Mufflers
Bolts	Naptha
Brass Plugs	Nipples
BS Plugs	Nuts
Cable/Wire	Oil Filters
Carburetors	Paint
Cattle Gate	Paint Thinner
Celotex Sheets	Pipe Packing
Cement	Pipes
Cleaner Filters	Point
Condenser	Pressure Recorder
Conduit	Radiator Caps
Copper Wire Tubing	Sand Paper
Couplings	Scotch Wrap
Distributor Caps	Seals
Door Locks	Signal Light Flashers
Dresser Clamps	Spark Plugs
Electrical Wire	Structural Sheet Metal
Emery Cloth	Tape
Fan Belts	Thermostat
Fire Hydrant Parts	Trees
Gas Caps	Valve Box Bushings
Grease	Valve Box Caps
Ignition Coil	Valve Parts
Lights	Wiper Blades
Manhole Covers	Wool (lead or steel)
Manhole Rings	Yard Piping
Masking Tape	

Includes materials and supplies used in the maintenance and repair of:

Autos	Rolling Equipment
Construction Equipment	Stationary Equipment
Machinery and Equipment	Trucks

511440 SAFETY MATERIALS AND SUPPLIES

All materials and supplies and related items for safety purposes such as:

Back Supports	Rubber Boots
Disposable Gloves	Safety Brochures and Pamphlets
Ear Muffs	Safety Eyewear
Energy Drinks	Safety Flags
Face Shields	Safety Footwear
Fire Extinguisher	Safety Posters
First Aid Kits and Supplies	Safety Reference Books
Gloves	Safety Training
Gowns	Safety Videos
Personal Protective Equipment: Ear Plugs, Hardhats, Vests	

511450 TIRES AND TUBES

New tires, tubes and the repair of tires and tubes.

511451 MOTOR FUEL AND LUBRICANTS

Charges of fuel, fluids, and lubricants for cars, trucks, and equipment. Such as:

Gasoline
Diesel Fuel
Includes motor fuel road use taxes.

511460 CAFETERIA FOOD SUPPLIES

Food purchased by the Cafeteria.

OTHER CHARGES

Expenditures not provided for in other major classifications.

511510 JUDGEMENT AND CLAIM SETTLEMENTS

Costs associated with the payment of claims against the System.

511511 AL & GL CLAIMS - CONTINGENT LIABILITY ADJUSTMENTS

Claims liability adjustments only.

511520 BANK CHARGES

Charges by the bank for processing of San Antonio Water System banking transactions as:

Checks	Service Charges
Commercial Paper Fees	Wire Transfers
Deposits	

511522 FINANCING CHARGES

Commercial Paper Issue costs.

511530 EMPLOYEE RELATIONS

Expenses such as:

Employee Assistance	Service Center Christmas Parties
Flu Shots	Sports Activities
Handbooks	Gifts for Retiring Employees
Service Award Programs	

511540 DEPENDENT & RETIRED MEDICAL INSURANCE

Premiums paid by the System for hospital and dental insurance on employees, dependents and retirees shown under Area 801011.

511560 UNCOLLECTIBLE ACCOUNTS

The amount that is charged to Bad Debt Expense each month by a journal entry computed on the basis of a predetermined percentage of water and sewer billings month.

511570 GENERAL LIABILITY & FIRE INSURANCE

All insurance such as:
Automobile and Equipment Liability
General Liability and Fire

511580 UNEMPLOYMENT COMPENSATION

Expenses paid to the Texas Employment Commission for unemployment payments.

511590 WORKERS' COMPENSATION MEDICAL PAYMENTS

Expenses for medical costs for employees injured on the job and unable to work.

511600 WC - CONTINGENT LIABILITY ADJUSTMENTS

Claims liability adjustments only.

511610 WORKERS' COMPENSATION BENEFITS AND PAYMENTS

Payments made in lieu of wages when an employee is away from the job due to an on job injury.

511620 WC - MISCELLANEOUS CLAIMS EXPENSE

Expenses for activity surveillance, independent third party claims, adjusting services, cost containment services, etc.

INTERFUND TRANSFERS

511720 TRANSFERS TO OTHER FUNDS OR EXPENSE REIMBURSEMENTS

Expense transfers from the System Fund to the:

- Bond Fund
- Central Heating and Cooling Plant
- Improvement and Contingency Fund
- Stormwater
- Working Capital Fund

Includes reimbursements of expenses to the Cafeteria in the form of food sales.

511730 COST ALLOCATIONS

The assigning of indirect costs to core business

511740 INTER CENTER TRANSFERS

Charge when one center is doing work for another center. Center to Center transfer.

CAPITAL OUTLAY**140100 LAND & LAND RIGHTS**

This account shall include the cost of land and land rights used in connection with supply, pumping, water treatment plant, transmission and distribution, and general operations.

141100 HEATING AND COOLING EQUIPMENT

This account is for equipment purchased over \$1,000 for the Heating and Cooling G. The equipment purchased will provide to that actual operation of any of the Heating Cooling plants owed by the system.

143500 METERING DEVICES

This account shall include the cost of meters, devices and appurtenances attached thereto used for measuring the quantity of water delivered to users, whether actually in service or held in reserve. It shall also include the cost of labor employed, materials used and expenses incurred in connection with the original installation of a customer's meters and device appurtenances attached thereto.

143600 MACHINERY & EQUIPMENT - OTHER

This account shall include any machinery equipment purchased for the system that is not included in 143500 or above. Items purchased for the system that can not be categorized into any other account will be charged to 143600.

143700 OFFICE FURNITURE AND EQUIPMENT

This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to the buildings, except for such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

143800 COMPUTER HARDWARE

This account shall include any computer hardware purchased over \$1,000.

143900 **COMPUTER SOFTWARE**

This account shall include any computer software purchased over \$1,000. The initial expense of the software will be charged to this account. Maintenance expenses and renewals need to be charged to expense account 511220 – Maintenance Expense.

144000 **LABORATORY EQUIPMENT**

This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specifically provided for or includible in other department functional plant accounts.

144300 **MISCELLANEOUS EQUIPMENT**

This account shall include the cost of equipment, apparatus, etc., used in utility operations and which is not includible in any other account.

144400 **TRUCKS AND AUTOMOBILES**

This account shall include the cost of transportation vehicles used for system purposes.

144500 **HEAVY EQUIPMENT**

This account shall include the cost of heavy equipment used by the system. This account will include items that are not specified in other account categories. Examples:

- Trailer mounted air compressors
- Large cranes
- Forklifts
- Front End loaders
- Trailers
- Portable Welding and/or unit

144600 **LIGHT EQUIPMENT**

This account shall include the cost of logth equipment used by the system. This acc include items that are not specified in other account categories. Examples:

- Blower
- Chipper Brush
- Chlorinator
- Concrete Mixer
- Generators
- Lawn equipment
- Hydraulic Pumps

144700 **STORES-SHOP-GARAGE EQUIPMENT**

This account shall include the cost of equipment used for the receiving, shipping, ha and storage of material and supplies.

144800 **COMMUNICATIONS EQUIPMENT**

This account shall include the cost installed of telephone, telegraph and wireless equ for general use in connection with utility operations.

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