



FY 2020 Budget Amendment

***Presented by
David Thompson
Chief Financial Officer***

Meeting Date: July 27, 2020



Cost Reimbursable Operations

- **The Brazos River Authority operates wastewater treatment, water treatment and pipeline facilities under cost reimbursable contracts with several of our customers.**
- **Outside factors can effect the cost of operating those facilities:**
 - **Rainfall, too much or too little**
 - **Changes in commodity rates (chemicals, electricity, landfill fees, etc.)**
 - **Condition of tangent facilities (collection systems, distribution systems, pumping systems, etc.) that work in coordination with the facilities that BRA operates**
 - **Changing/updated plans and goals of the customers**
 - **Changes in regulatory/permit requirements**



Specific Factors Effecting FY 2020 Operations

- **Sandy Creek Water Treatment Plant** – The city also takes treated water from the Brushy Creek Regional Utility Authority’s treated water plant. Due to that facility being offline for a portion of the year and drier than normal conditions in the fall and winter, the Sandy Creek Plant is expected to treat 65% more water than budgeted, which is causing variable treatment related costs such as chemicals, electricity and sludge handling, to go over budget.
- **Hutto Wastewater Treatment Plants** – customer delay in installing the new belt press at the Central Plant is causing higher sludge handling costs.



Financial Impact on FY 2020 Budget

	(Amounts in Million \$)				
	FY 2020 Budget (before amendment)	FY 2020 Projected	Variance	Proposed Amendment	FY 2020 Budget (after amendment)
Operating Revenues					
Hutto	\$1.49	\$1.59	(\$0.10)	\$0.12	\$1.61
Sandy Creek	1.41	2.08	(0.67)	0.70	2.11
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	\$2.90	\$3.67	(\$0.77)	\$0.82	\$3.72
Operating Expenses					
Hutto	\$1.49	\$1.59	(\$0.10)	\$0.12	\$1.61
Sandy Creek	1.41	2.08	(0.67)	0.70	2.11
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	\$2.90	\$3.67	(\$0.77)	\$0.82	\$3.72



Brazos River Authority