

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
BUDGET PLANNING REPORT
FISCAL YEAR 2003**

		ORIGINAL BUDGET 2002	AMENDED BUDGET 2002	CURRENT ACTIVITY			ADOPTED BUDGET		
				ACTUAL Y-T-D 2002 7/31/2002	PROJECTED 8/1-12/31 2002	TOTAL 2002	BASE 2003	SUPPLEMENTAL 2003	TOTAL 2003
REVENUE									
4000	Pumpage Fees, Penalties & Interest	\$ 5,579,500	\$ 6,200,000	\$ 4,023,499	\$ 2,180,000	\$ 6,203,499	\$ 5,525,500		\$ 5,525,500
4101	Interim Water Sales								
3955	Bond Proceeds								
	TOTAL REVENUES	\$ 5,579,500	\$ 6,200,000	\$ 4,023,499	\$ 2,180,000	\$ 6,203,499	\$ 5,525,500		\$ 5,525,500
EXPENDITURES									
6100	INTERIM WATER PURCHASE		\$ 32,400	\$ -	\$ 32,400	\$ 32,400	\$ 97,200		\$ 97,200
7360	WATER PURCHASE		\$ 3,400,000	\$ -	\$ 3,400,000	\$ 3,400,000	\$ 3,400,000		\$ 3,400,000
6359	FINANCIAL SERVICES	\$ 45,200	\$ 32,000	\$ 15,045	\$ 16,955	\$ 32,000	\$ 33,300		\$ 33,300
6322	ENGINEERING SERVICES	\$ 3,876,037	\$ 3,876,037	\$ 738,058	\$ 1,290,000	\$ 2,028,058	\$ 6,928,500	\$ 1,002,500	\$ 7,931,000
6320	LEGAL SERVICES	\$ 475,000	\$ 350,000	\$ 189,171	\$ 160,829	\$ 350,000	\$ 266,000		\$ 266,000
6400	LEGISLATIVE CONSULTANT	\$ 109,500	\$ 110,000	\$ 63,000	\$ 47,000	\$ 110,000	\$ 305,000		\$ 305,000
6510	COMMUNICATION SERVICES	\$ 152,500	\$ 190,000	\$ 118,786	\$ 71,214	\$ 190,000	\$ 244,898	\$ 2,500	\$ 247,398
6300	MANAGEMENT SERVICES	\$ 670,729	\$ 575,000	\$ 310,604	\$ 264,396	\$ 575,000	\$ 664,984	\$ 195,893	\$ 860,876
	MISCELLANEOUS SERVICES	\$ 75,000	\$ 91,465	\$ 66,465	\$ 25,000	\$ 91,465	\$ 30,000		\$ 30,000
7306	CAPITAL OUTLAY	\$ 18,500	\$ 65,000	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 7,000	\$ 7,000
	BUDGET RESERVE	\$ 750,000	\$ 750,000	\$ -	\$ -		\$ 750,000		\$ 750,000
	TOTAL EXPENDITURES	\$ 6,172,466	\$ 9,471,902	\$ 1,501,129	\$ 5,372,794	\$ 6,873,923	\$ 12,719,882	\$ 1,207,893	\$ 13,927,774
	NET REVENUE OVER (UNDER) EXPENDITURES	\$ (592,966)	\$ (3,271,902)	\$ 2,522,371	\$ (3,192,794)	\$ (670,424)	\$ (7,194,382)	\$ (1,207,893)	\$ (8,402,274)
	AMOUNT FUNDED BY PRIOR YEAR'S RESERVE AND BONDS	\$ 592,966	\$ 3,271,902			\$ 670,424	\$ 7,194,382		\$ 8,402,274
	BUDGETED FUND BALANCE	0	0			0	0		0

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
REVENUE SUMMARY**

TNRCC CODE NUMBER	ACCOUNT NUMBER	REVENUE ACCOUNT	ACTUAL REVENUE JAN - JUL 31 2002	PROJECTED REVENUE AUG 1 - DEC 31 2002	TOTAL 2002	ESTIMATED 2003
4000	-0010	Pumping Fee Revenue	\$ 3,951,100	\$ 2,000,000	\$ 5,951,100	\$ 5,312,500
	-0020	Pumping Fee Penalty	\$ 2,729	0	\$ 2,729	
	-0030	Pumping Fee Interest	\$ 472	0	\$ 472	
	-0040	Misc. Revenue (Maps, Videos, & Reliant - Study Contribution)	\$ 10,166	\$ -	\$ 10,166	\$ -
5391	-0100	Interest Earned	\$ 59,032	40,000	\$ 99,032	\$ 96,000
		2000 Grant Revenue	0	140,000	\$ 140,000	
		2001 Grant Revenue				117,000
4101	-0010	Interim Water Sales	0	???		???
3955	-0010	Bond Proceeds	0	???		???
		TOTAL	\$ 4,023,499	\$ 2,180,000	\$ 6,203,499	\$ 5,525,500

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY PUMPAGE FEE REVENUE ESTIMATES						
	ESTIMATED PUMPING VOLUMES	ACTUAL PUMPING VOLUMES	PUMPING FEE/1000g	DUE DATE	ESTIMATED REVENUE	ACTUAL REVENUE
4th Qtr 2001	4,500,000,000	4,223,225,119	\$ 0.25	1/30/2002	\$ 1,125,000	\$ 1,126,455
1st Qtr 2002	3,750,000,000	4,364,204,872	\$ 0.25	4/30/2002	\$ 937,500	\$ 1,134,345
2nd Qtr 2002	5,000,000,000	6,899,546,215	\$ 0.25	7/31/2002	\$ 1,250,000	\$ 1,690,300
3rd Qtr 2002	8,000,000,000	-	\$ 0.25	10/31/2002	\$ 2,000,000	
TOTAL	21,250,000,000	15,486,976,206			\$ 5,312,500	\$ 3,951,100
4th Qtr 2002	4,500,000,000		\$ 0.25	1/31/2003	\$ 1,125,000	
1st Qtr 2003	3,750,000,000		\$ 0.25	4/30/2003	\$ 937,500	
2nd Qtr 2003	5,000,000,000		\$ 0.25	7/31/2003	\$ 1,250,000	
3rd Qtr 2003	8,000,000,000		\$ 0.25	10/31/2003	\$ 2,000,000	
TOTAL	21,250,000,000	-			\$ 5,312,500	\$ -

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY MISCELLANEOUS REVENUE SCHEDULE FISCAL YEAR 2003				
NUMBER	MISCELLANEOUS REVENUE	QUANTITY	ESTIMATED PER MO.	TOTAL
	Map Revenue	0	\$ -	\$ -
	Video Revenue	0	\$ -	\$ -
	Agenda Subscriptions	0	\$ -	\$ -
	TOTAL		\$ -	\$ -

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

INTERIM WATER PURCHASE
 ACCOUNT: 6100

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6100	0100	Interim Water Purchase	Purchase water at ordinance rate from the City of Houston in order to meet water demands for Emerald Forest Utility District and others. Interim Water Supply Contract volume minimum is 6.4 million gallons per month. Current City of Houston ordinance rate is \$1.26/1000 gallons. Monthly minimum cost is aporoximately \$8100.	\$ -	\$ 32,400	\$ 32,400	\$ 97,200
			Note: Revenue to be derived from interim water sales is to be based on short term pricing that is to be considered for approval by the Board of Directors				
		TOTAL		\$ -	\$ 32,400	\$ 32,400	\$ 97,200

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2003

**WATER PURCHASE
ACCOUNT: 7360**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
7360	0100	Water Purchase	<p>Annual interest payment to City of Houston (COH)</p> <p>NHCRWA is negotiating a Master Water Supply Contract with the COH to purchase capacity in their raw water facilities, the Northeast Water Purification Plant (NEWPP) and 84-inch diameter transmission line (located along Beltway 8). Contract requires either a capital contribution payment or annual interest payment, where the amount is based on the capacity purchased in the NEWPP and transmission line, due to the COH 60 days after the effective date of the contract. The raw water capacity payments begin with the delivery of treated surface water.</p> <p>The COH contract is anticipated to be approved by October 1, 2002.</p> <p>The annual interest payment is estimated at this time and based on 35 mgd capacity in the NEWPP at a cost of \$42.926 million and 35 mgd capacity in the 84-inch transmission line at at cost of \$3.952 million. The annual amount is estimated at \$3.4 million.</p>	\$ -	\$ 3,400,000	\$ 3,400,000	\$ 3,400,000
		TOTAL	<p>Note: To be funded by Bond Anticipation Notes and future Bond Sales.</p>	\$ -	\$ 3,400,000	\$ 3,400,000	\$ 3,400,000

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

FINANCIAL SERVICES
 ACCOUNT: 6359

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6359	0010	The GMS Group	Day to Day Financial/Investment Advisor 10 hrs/month	\$ 9,045	\$ 6,955	\$ 16,000	\$ 12,500
	0020	Legg-Mason	Revenue Bond Issuance Advisor (Bond issuance fees charged separately)	\$ -	\$ 9,000	\$ 9,000	\$ 12,500
	0030	Null-Lairson	Annual Audit	\$ 6,000	\$ -	\$ 6,000	\$ 6,300
	-010	Misc. CPA needs		\$ -	\$ 1,000	\$ 1,000	\$ 2,000
		TOTAL		\$ 15,045	\$ 16,955	\$ 32,000	\$ 33,300

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

Fiscal Year 2003

**ENGINEERING SERVICES
ACCOUNT: 6322**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6322	0010	Program Management	Team management consultant to oversee design engineers. * See Supplemental Decision Pkg	\$ 481,162	\$ 315,000	\$ 796,162	*
	0020	Alternate Source Study	Study various alternate water supply sources & provide cost data	\$ -	\$ -		\$ -
	0030	GIS - Data Collection	Obtain water well & system data	\$ -	\$ 20,000	\$ 20,000	
	-020	HGAC Data					
	-01	Houston-Galveston Area Geographic Data Committee	Annual membership	\$ -	\$ 1,000	\$ 1,000	\$ 1,000
	-02	Digital Mapping	Quarterly mapping updates				\$ 10,000
	-030	GIS Software	Annual upgrades				\$ 10,000
	0040	Water Reclamation/Reuse Study	Determine effluent sources & locations to distribute effluent for irrigation. Identify costs.	\$ 2,145	\$ 39,000	\$ 41,145	\$ 10,000
	0050	Advisory Consultants	Advise NHCRWA about water system	\$ 44,960	\$ 35,000	\$ 79,960	\$ 300,000
	0060	On-Call Engineering Consultants	Engineering contracts for as needed research and design projects. Projects to be individually listed.	\$ 209,790	\$ 25,000	\$ 234,790	\$ 240,000
	0070	Water Conservation Plan	Prepare a water conservation plan for NHCRWA area w/ compliance to TWDB criteria	\$ -	\$ 5,000	\$ 5,000	\$ 5,000

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

Fiscal Year 2003

**ENGINEERING SERVICES
ACCOUNT: 6322**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
	0080	Groundwater Reduction Plan Amendments	Changes anticipated to add participants and conversion strategies (i.e. reuse, early and over conversion, conservation, etc.)	\$ -	\$ 50,000	\$ 50,000	\$ 50,000
	0090	Groundwater Reduction Plan-2010 Conversion - Engineering	Commence Engineering Studies and Design necessary to prepare construction documents, of the 2010 Master Water System, for phased bidding beginning in 1st quarter of 2005 and anticipate testing water system through 2009.	\$ -	\$ 800,000	\$ 800,000	\$ 6,302,500
		TOTAL		\$ 738,058	\$ 1,290,000	\$ 2,028,058	\$ 6,928,500

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

LEGAL SERVICES
 ACCOUNT: 6320

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6320	0100	Johnson, Radcliffe & Petrov & Bobbitt PLLC					
	10	General Counsel Services	Agendas, Meeting Minutes, Contracts, etc.	\$ 114,448	\$ 98,379	\$ 212,827	\$ 216,000
	20	Misc. Expenses	Postage, Copies, Deliveries, etc.	\$ 5,179	\$ 3,700	\$ 8,879	\$ 8,400
	30	Litigation Expenses					
	-01	General	Funds to pursue delinquent accounts & other	\$ -	\$ 5,000	\$ 5,000	\$ 5,000
	-02	Delinquent Accounts	legal issues as they arise	\$ 1,063	\$ 5,000	\$ 6,063	\$ 6,000
	40	Voting Rights Act		\$ 20,557	\$ 2,500	\$ 23,057	\$ 2,500
	50	Open Records Responses		\$ 5,186	\$ 2,000	\$ 7,186	\$ 5,000
	60	Contract Negotiations					
	-01	COH		\$ 39,427	\$ 20,000	\$ 59,427	\$ 6,000
	-02	Other		\$ -	\$ 20,000	\$ 20,000	\$ 6,000
	70	Legislation	Assisting with Legislative language and review Legislation related to NHCRWA	\$ -	\$ 3,000	\$ 3,000	\$ 6,000
	80	Special Projects	Services related to special projects such as rate case issues, briefs, etc.	\$ 3,313	\$ 1,250	\$ 4,563	\$ 5,100
		TOTAL		\$ 189,171	\$ 160,829	\$ 350,000	\$ 266,000

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2003

**LEGISLATIVE CONSULTANT
ACCOUNT: 6400**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6400	0010-01	Steve Bresnen & Associates	Represent NHCRWA at 78th Legislature, monitor legislation & committee meetings/activities. Current Contract expires December 31, 2002	\$ 63,000	\$ 45,000	\$ 108,000	\$ 300,000
	-02	Travel & Misc. Expenses	Reimbursement for travel & other expenses associated with client representation	\$ -	\$ 2,000	\$ 2,000	\$ 5,000
		TOTAL		\$ 63,000	\$ 47,000	\$ 110,000	\$ 305,000

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

MANAGEMENT SERVICES
 ACCOUNT: 6300

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6310	0010	Director Fees	5 @ \$6000/ea - social security	\$ 20,250	\$ 6,955	\$ 27,205	\$ 27,705
			SUB-TOTAL	\$ 20,250	\$ 6,955	\$ 27,205	\$ 27,705
	0020	Salaries, Wages & Benefits					
6311	-010	Salaries	All full time positions minus taxes	\$ 136,240	\$ 88,096	\$ 224,336	\$ 217,861
6311	-020	Overtime	8 hours/month per position	\$ -	\$ 3,476	\$ 3,476	\$ 8,753
6311	-030	Part Time	as necessary, summer intern position	\$ -	\$ -	\$ -	\$ 5,400
6311	-040	Longevity	4 employees at \$120/year each	\$ -	\$ 100	\$ 100	\$ 480
6311	-050	Bonus		\$ -	\$ -	\$ -	\$ -
6314	-060	Taxes	Full time positions				\$ 72,620
6314	-070	Social Security/457/Medicare	7.65% of all positions & directors	\$ 11,971	\$ 13,206	\$ 25,177	\$ 24,517
6312	-080	Retirement	7% of all Positions	\$ 10,287	\$ 10,651	\$ 20,938	\$ 20,334
6313	-090	Group Insurance	All full time positions (maximum listed)	\$ 13,745	\$ 12,500	\$ 26,245	\$ 52,000
6315	-100	Worker's Compensation	All full time positions	\$ -	\$ 600	\$ 600	\$ 750
6317	-110	Unemployment Compensation		\$ 540	\$ -	\$ 540	\$ 675
			SUB-TOTAL	\$ 172,783	\$ 128,629	\$ 301,412	\$ 403,390

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2003

**MANAGEMENT SERVICES
ACCOUNT: 6300**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6358	0030	Office Space					
	-010	Leases					
	-01	Office Lease	Annual lease	\$ 48,241	\$ 37,539	\$ 85,780	\$ 85,780
	-02	Ponderosa Fire Department	Board Meeting Room Rental	\$ 3,085	\$ 1,000	\$ 4,085	*
	-03	Misc. Building Rentals	See Schedule	\$ -	\$ -	\$ -	*
			* see Supplemental Decision Package for Consideration				
6351	-020	Utilities					
	-01	Telephone/Long Distance	@ \$400/month	\$ 2,549	\$ 2,247	\$ 4,796	\$ 4,800
	-02	Cellular Telephone	@ \$200/month	\$ 831	\$ 1,569	\$ 2,400	\$ 2,400
	-03	DSL Line/Internet Service	@ \$250/month	\$ 1,649	\$ 1,075	\$ 2,724	\$ 3,000
	-04	Maintenance/Repairs	Unforeseen Repairs and Expenses	\$ 320	\$ 250	\$ 570	\$ 1,500
6340	-030	Office Supplies/Services	@ \$750/month	\$ 6,738	\$ 2,500	\$ 9,238	\$ 9,000
6350	-040	Postage	@ \$175/month	\$ 2,050	\$ 1,000	\$ 3,050	\$ 2,100
6340	-050	Delivery Fees	@ \$150/month	\$ -	\$ 478	\$ 478	\$ 1,800
6340	-060	Books/Periodicals		\$ 584	\$ 250	\$ 834	\$ 750
6340	-070	Software	Updates & New	\$ 815	\$ 5,131	\$ 5,946	\$ 6,000
			SUB-TOTAL	\$ 66,862	\$ 53,039	\$ 119,901	\$ 117,130

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
DETAIL OF BUDGET REQUEST**

FISCAL YEAR 2003

**MANAGEMENT SERVICES
ACCOUNT: 6300**

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
	0040	Services					
6353	-010	Insurance	See Schedule	\$ 1,231	\$ 7,856	\$ 9,087	\$ 5,057
6338	-020	Legal/Public Notices	Rate & Public Hearing Notice	\$ 161	\$ 4,839	\$ 5,000	\$ 5,000
6354	-030	Travel/Training	See Schedule	\$ 21,555	\$ 24,094	\$ 45,649	\$ 45,650
6370	-040	Memberships/Subscriptions	See Schedule	\$ 3,298	\$ 326	\$ 3,624	\$ 3,804
6357	-050	Equipment Leases	See Schedule	\$ 6,602	\$ 4,366	\$ 10,968	\$ 10,968
6340	-060	Computer Maint/Repairs	Scheduled service & assistance,				
	-10	Financial (MIP)	maint. & support agreements, replace-	\$ -	\$ 5,000	\$ 5,000	\$ 6,000
	-20	Technical	ment parts	\$ 808	\$ 20,000	\$ 20,808	\$ 17,000
	-30	Administrative (Office equipment services)		\$ 16,476	\$ 9,000	\$ 25,476	\$ 22,000
6340	-070	Record Management	Equipment & files inventory - includes safe deposit box for offsite storage	\$ 90	\$ -	\$ 90	\$ 500
6134	-080	Security	Office security system & monitoring	\$ 488	\$ 292	\$ 780	\$ 780
			SUB-TOTAL	\$ 50,709	\$ 75,773	\$ 126,482	\$ 116,759
			TOTAL	\$ 310,604	\$ 264,396	\$ 575,000	\$ 664,984

SCHEDULE 2003				
TNRCC CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6358	0030-010	Leases		
	-03	Miscellaneous Bldg Rentals		
		Town Hall /District Meetings	See Supplemental Decision Pkg for Consideration	
		Attorney/Mud Director Meetings	See Supplemental Decision Pkg for Consideration	
		Special Workshops	See Supplemental Decision Pkg for Consideration	
		TOTAL		\$ -
6353	0040-010	Insurance		
	-01	Directors Liability	Annual Renewal through 10/1/2003	\$ 1,028
	-02	Gen. Manager Bond & Public Employee	Annual Renewal through 10/1/2003	\$ 362
	-03	Director Bond	Annual Renewal through 10/1/2003	\$ 500
	-04	Property Insurance (Includ. Computer Equip & Elec Data Coverage)	Annual Renewal through 10/1/2003	\$ 1,081
	-05	General Liability	Annual Renewal through 10/1/2003	\$ 2,086
		TOTAL		\$ 5,057

**SCHEDULE
2003**

TNRCC CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6354	0040-030	Travel/Training		
		-01 Reimbursements, Travel & Other	Airfare, Hotels, Meals, etc.	\$ 25,000
		-02 TWCA Conference - Fall	Reg for 5 @ Semi-Annual Mtg	\$ 1,000
		-03 TWCA Conference - Spring	Reg for 5 @ Semi-Annual Mtg	\$ 1,000
		-04 AWBD Conference - Winter	Reg for 6 @ Semi-Annual Mtg	\$ 1,200
		-05 AWBD Conference - Summer	Reg for 6 @ Semi-Annual Mtg	\$ 1,200
		-06 Investment Training	Reg for 5 @ \$150	\$ 750
		-07 Mileage Reimbursements	including Mileage, Parking, Toll Road for Directors & Staff	\$ 12,000
		-08 Misc. Seminars/Training	Computer training & misc seminars	\$ 3,000
		-09 Training Equipment	Equipment as needed	\$ 500
			TOTAL	\$ 45,650

SCHEDULE 2003				
TNRCC CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
6370	0040-040	Memberships/Subscriptions		
	-01	Membership		
		Texas Water Conservation Assoc.	Annual Renewal	\$ 510
		American Water Works Association	Annual Renewal	\$ 109
		Assoc. of Water Board Directors	Annual Renewal	\$ 450
		Tomball Chamber	Annual Renewal	\$ 125
		Humble Chamber	Annual Renewal	\$ 200
		Houston Northwest Chamber	Annual Renewal	\$ 125
		Cy-Fair Chamber	Annual Renewal	\$ 150
		No. Houston Greenspoint Chamber	Annual Renewal	\$ 150
		Greater Houston Partnership	Annual Renewal	\$ 500
		Wholesale Club Memberships	Discount Office Supply Stores	\$ 100
		Government Treasurers Organization	Annual Renewal	\$ 50
		Government Financial Officers Assoc	Annual Renewal	\$ 85
	-01	Sponsorships		\$ 500
			SUB-TOTAL	\$ 3,054

**SCHEDULE
2003**

TNRCC CODE NUMBER	NUMBER	DESCRIPTION	EXPLANATION	BUDGET
	-02	Subscriptions		
		Houston Chronicle	Annual Renewal	\$ 210
		Tomball Potpourri	Annual Renewal	\$ 75
		Tomball-Magnolia Tribune	Annual Renewal	\$ 45
		FM 1960 Sun West	Annual Renewal	\$ 120
		FM 1960 Sun East	Annual Renewal	\$ 120
		Humble Observer	New Subscription	\$ 180
			SUB-TOTAL	\$ 750
			TOTAL	\$ 3,804
6340	0040-050	Equipment Leases		
		Copier/printer	Annual, 3 yr Lease*	\$ 9,000
		Fax Machine	Annual, 3 yr Lease*	\$ 1,188
		Postage meter	Annual, 3 yr Lease*	\$ 780
			TOTAL	\$ 10,968

* Includes machine maintenance, Lease payment, and copy overage

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

COMMUNICATION SERVICES
 ACCOUNT: 6510

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6510	0010	Public Relations					
	-01	Payne Communications	Turnkey fee includes all writing and design functions, web site oversight and updates, meetings, newsletters, mailings, writing assignments (e.g., speeches, background papers, fact sheets), creation of Power Points, committee liaison, and special projects as directed by the General Manager.	\$ 27,000	\$ 13,500	\$ 40,500	\$ 46,050
	-02	Printing	Meeting notices, Board & citizen newsletter (Monthly Action Report, 3 mailings of Waterlines), fact sheets, mtg handouts, Q & A cards, supplies for public meetings, letterhead, business cards, mailing labels, etc.	\$ 34,382	\$ 21,186	\$ 55,568	\$ 78,600
	-03	Postage	Postage for mailouts	\$ 41,347	\$ 21,880	\$ 63,227	\$ 77,800
	-04	Contract Services	Audio/Video Services, video taping, presentations Resource Notebooks, temporary services	\$ 4,113	\$ 3,270	\$ 7,383	\$ 8,000
	-05	Committee & Public Mtg Expenses	WUAG, Communications, New Advisory Committee: Business Roundtable & Real Estate Roundtable, meeting materials, notebooks, meals	\$ 99	\$ 100	\$ 199	\$ 8,900
	-06	Chamber of Commerce Public Service Messages	Placing 1/4 page horizontal ads in each of 5 Chamber newsletters, monthly/quarterly.	\$ -	\$ -	\$ -	\$ 6,000

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

COMMUNICATION SERVICES
 ACCOUNT: 6510

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6513	0020	WEB Page	Monthly hosting and updating, periodic design revisions, archiving. Special updates, expansions, new features. Special programming for interactive features. Interactive program for list maintenance. Virtual Server and all related services.	\$ 3,370	\$ 11,278	\$ 14,648	\$ 8,548
6514	30	Book Covers	Water theme graphics with NHCRWA identification distributed to area schools for protecting school books. ISDs receiving the covers include: Aldine, Humble, Klein, Tomball, Spring & Cy-Fair elementary and intermediate schools. Approximately 11,000 large book covers.	\$ 7,654	\$ -	\$ 7,654	\$ 8,000
6520	0010	Public Education		\$ 823	\$ -	\$ 823	\$ 3,000
		TOTAL		\$ 118,786	\$ 71,214	\$ 190,000	\$ 244,898

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

MISCELLANEOUS SERVICES

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
6321-	20	Redistricting/Mapping	Redistricting required because of each Federal decennial census & boundary changes incurred by districts including themselves in the NHCRWA.	\$ 5,827	\$ 25,000	\$ 30,827	\$ 25,000
6325-	0010	Election expenses	2002 Board of Directors Election	\$ 60,248	\$ -	\$ 60,248	\$ -
7395-		Misc. Expenses		\$ 390	\$ -	\$ 390	\$ 5,000
		TOTAL		\$ 66,465	\$ 25,000	\$ 91,465	\$ 30,000

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
 DETAIL OF BUDGET REQUEST

FISCAL YEAR 2003

CAPITAL OUTLAY
 ACCOUNT: 7306

TNRCC CODE NUMBER	ACCOUNT NUMBER	DESCRIPTION	EXPLANATION	Actual YTD 2002	Aug 1 - Dec 31 2002	Projected Total 2002	Budget 2003
7306	0010	Capital Outlay	Scanner & Document Management Software	\$ -	\$ 10,000	\$ 10,000	\$ -
	0020	Capital Outlay	Additional software modules for Accounting activities include A/R Billing, Purchase Orders, Fixed Asset Accounting System for Govt Entities	\$ -	\$ 5,000	\$ 5,000	\$ -
	0030	Capital Outlay	Office Remodeling and Furniture Board/Meeting Room	\$ -	\$ 50,000	\$ 50,000	\$ -
		TOTAL		\$ -	\$ 65,000	\$ 65,000	\$ -

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
SUPPLEMENTAL DECISION PACKAGE
FISCAL YEAR 2002/2003**

Page No.	Budget Category	DESCRIPTION	AMOUNT FY 2003
Concepts Approved for FY 2002			
24	Capital Outlay	Office Remodeling - Board/Meeting Room	\$ 40,000
25	Capital Outlay	Board/Meeting Room Furniture	\$ 8,800
37	Management Services	Technology Transfer to WEB	\$ 30,000
Total included in Amended 2002 Budget			\$ 78,800
Concepts Approved for FY 2003			
26	Engineering Services	Integrated Water System - Engineering Management	\$ 1,175,000
27	Engineering Services	Integrated Water System - Red Project	\$ 1,450,000
28	Engineering Services	Integrated Water System - Blue Project	\$ 1,600,000
29	Engineering Services	Integrated Water System - Green Project	\$ 890,000
30	Engineering Services	Integrated Water System - Aqua Project	\$ 620,000
31	Engineering Services	Integrated Water System - Facilities Project	\$ 567,500
Integrated Water System - Subtotal			\$ 6,302,500
less funds included in Engineering's Base 2003 Budget			\$ (6,302,500)
Integrated Water System - Supplemental 2003 Total			\$ -
32	Management Services	Cost of Living Increase	\$ 6,670
34	Capital Outlay	Land-Office Purchase	\$ -
35	Management Services	Project Coordinator	\$ 107,088
36	Management Services	Accounting Clerk I	\$ 38,135
37	Management Services	Technology Transfer to WEB	\$ 44,000
38	Eng. & Comm. Services	Water Conservation Education Program	\$ 5,000
Subtotal			\$ 200,893
Concepts Reauthorized for FY 2003			
39	Management Services	GIS/CAD Technician* * Included in Management Services Budget	\$ -
40	Engineering Services	Wastewater Reuse Project	\$ 1,000,000
41	Capital Outlay	CAD Server	\$ 7,000
Subtotal			\$ 1,007,000
TOTAL			\$ 1,207,893

FISCAL YEAR 2002
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: Capital Outlay	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: New	PREPARED BY: Lisa Sagstetter

Description: Office Remodeling - Board/Meeting Room

Justification: The Authority conducts regular monthly board meetings at Ponderosa Fire Department because our current conference room will only accommodate up to approximately 40 people. The normal attendance at these meetings is 75 to 100 people.

Townhall meetings, workshops, special meetings are also held throughout the year and we have had to coordinate other locations when Ponderosa was not available. The estimated costs to have meetings at other locations are as follows:

Board Meetings	12 @ \$200 ea	\$2,400
Attorney/MUD Directors Meetings	2 @ \$900 ea	\$1,800
Special Workshops	4 @ \$250 ea	\$1,000
		\$5,200 /year

The above meetings would need to be added to the Management Services Budget if this item is not approved.

Future Meetings that are anticipated beginning 2003:

- Engineering Management Meetings
- Pre Bid Meetings
- Bid Opening
- Pre Construction Meetings

The costs for remodeling our current suite and moving the kitchen is as follows:

Construction	\$	30,000
Phone Rewiring	\$	6,600
Security System Rewiring	\$	1,000
Contingency		\$2,400
Total for Remodeling	\$	40,000

The attached drawing shows the new conference space and the possible seating arrangement.

The Authority's current lease expires in October 2005.

* **Note:** Town Hall meetings are anticipated to be in the Director Districts.

08/19/2002 Budget Workshop - Consensus of Board: Agree - Prefer drawing # SP-05 with modifications

Board Approval - 09/05/2002 - for FY 2002 Amended Budget

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries			7306		40,000	Office Remodeling
2 6314 Social Security					-	
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					40,000	

BOARD ACTION: Approved for FY 2002 Disapproved Modified

**FISCAL YEAR 2002
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY:	Capital Outlay	GENERAL MANAGER RANK:	
MAINTENANCE OF EXISTING PROGRAM:		PREPARED BY:	Lisa Sagstetter
NEW/EXPANDED PROGRAM REQUEST:	New		

Description:	Purchase Stackable Chairs, Modular Tables, Speaker System and Large Screen		
Justification:	The following items will need to be purchased for the conference room should the remodeling be approved.		
	125 stackable audience chairs	\$	2,500
	6' x 8' retractable screen	\$	2,500
	Modular tables (on wheels) for the Board, Legal Team, Media, Engineering Team	\$	2,000
	Built-in speaker system with control panel (installed)	\$	1,800
	Total	\$	8,800
08/19/2002 Budget Workshop - Consensus of Board: Agree			
Board Approval - 09/05/2002 - for FY 2002 Amended Budget			

SALARIES AND BENEFITS		FISCAL REQUIREMENTS		CAPITAL/COMMODITIES/SERVICES		
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries			7306		\$ 8,800	Conference Room Furniture
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 8,800	
BOARD ACTION:						
<input checked="" type="checkbox"/> Approved for FY 2002 <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

**FISCAL YEAR 2002
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: **Integrated Water System - Engineering Management**

Justification: Engineering oversight is necessary should the Integrated Water System Projects be authorized by the NHCRWA Board of Directors. Authorization is based on the NHCRWA receiving documentation that Utility Districts declare themselves Buyers/Sellers of groundwater.

Engineering oversight costs will vary depending on how many projects are authorized. The estimated total for Engineering oversight for the five projects is \$1,175,000.

Funds are available in the current Engineering Services Budget for projects authorized prior to Fiscal Year 2003.

Annual Cost for Engineering Oversight:

2002	\$235,000
2003	\$470,000
2004	\$350,000
2005	\$120,000
Total	\$1,175,000

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries				\$ 1,175,000	Engineering Management
2	6314 Social Security					
3	6312 Retirement					
4	6315 Workers Comp.					
5	6313 Long Term Disability					
TOTAL					\$ 1,175,000	
BOARD ACTION:						
X Approved		<input type="checkbox"/> Disapproved		<input type="checkbox"/> Modified		

FISCAL YEAR 2002 and 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: Integrated Water System - Red Project

Justification: The Red Project consists of purchasing groundwater from designated Utility Districts and distributing groundwater to those Utility Districts that declared themselves Buyers. Certain sections of the 2010 Master Water Distribution System would be designed and constructed to deliver the water between the Buyer and Seller Districts.

The basic service area of the Red Project is Bammel-N. Houston Rd., Beltway 8, Champion Forest Dr., and T.C. Jester Blvd.

Engineering Services costs include design, surveying, geotechnical, environmental and easement documents, if necessary.

It is anticipated authorization for engineering services would be requested within the next 60 days provided documentation designating Buyer/Seller Utility Districts is received prior to a scheduled Board meeting.

A Revenue Bond Sale is required to fund the project. Bond sale soft costs are not included in the project costs.

The Total Project Cost is estimated at \$22.6 million and is anticipated to take 24 months to design, bid and construct.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 1,450,000	Engineering Services
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 1,450,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2002 and 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: Integrated Water System - Blue Project

Justification: The Blue Project consists of purchasing groundwater from designated Utility Districts and distributing groundwater to those Utility Districts that declared themselves Buyers. Certain sections of the 2010 Master Water Distribution System would be designed and constructed to deliver the water between the Buyer and Seller Districts.

The basic service area of the Blue Project includes Louetta Rd. between Stuebner-Airline and Mirror Lake; T.C. Jester Blvd., south of Louetta Rd.; Kuykendahl Rd., north of Louetta Rd.; and Ella Blvd., south of Louetta.

Engineering Services costs include design, surveying, geotechnical, environmental and easement documents, if necessary.

It is anticipated authorization for engineering services would be requested within the next 60 days provided documentation designating Buyer/Seller Utility Districts is received prior to a scheduled Board meeting.

A Revenue Bond Sale is required to fund the project. Bond sale soft costs are not included in the project costs.

The Total Project Cost is estimated at \$24.9 million and is anticipated to take 24 months to design and construct.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 1,600,000	Engineering Services
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 1,600,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2002 and 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: Integrated Water System - Green Project

Justification: The Green Project consists of purchasing groundwater from designated Utility Districts and distributing groundwater to those Utility Districts that declared themselves Buyers. Certain sections of the 2010 Master Water Distribution System would be designed and constructed to deliver the water between the Buyer and Seller Districts.

The basic service area of the Green Project is Louetta Rd., west of SH 249 and Grant Rd.

Engineering Services costs include design, surveying, geotechnical, environmental and easement documents, if necessary.

It is anticipated authorization for engineering services would be requested within the next 60 days provided documentation designating Buyer/Seller Utility Districts is received prior to a scheduled Board meeting.

A Revenue Bond Sale is required to fund the project. Bond sale soft costs are not included in the project costs.

The Total Project Cost is estimated at \$13.8 million and is estimated to take 18 months to design and construct.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 890,000	Engineering Services
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 890,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2002 and 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: **Integrated Water System - Aqua Project**

Justification: The Aqua Project consists of purchasing groundwater from designated Utility Districts and distributing groundwater to those Utility Districts that declared themselves Buyers. Certain sections of the 2010 Master Water Distribution System would be designed and constructed to deliver the water between the Buyer and Seller Districts.

The basic service area of the Aqua Project includes Cutten Rd., between SH249 and Louetta Rd.

Engineering Services costs include design, surveying, geotechnical, environmental and easement documents, if necessary.

It is anticipated authorization for engineering services would be requested within the next 60 days provided documentation designating Buyer/Seller Utility Districts is received prior to a scheduled Board meeting.

A Revenue Bond Sale is required to fund the project. Bond sale soft costs are not included in the project costs.

The Total Project Cost is estimated at \$9.6 million and is anticipated to take 18 months to design and construct.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries				\$ 620,000	Engineering Services
2	6314 Social Security					
3	6312 Retirement					
4	6315 Workers Comp.					
5	6313 Long Term Disability					
TOTAL					\$ 620,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2002 and 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: ENGINEERING SERVICES	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: EXPANDED	PREPARED BY: ED SHACKELFORD

Description: Integrated Water System - Facilities Project

Justification: The Facilities Project consists of two Regional Water Plant sites including a water well, pumps, ground storage tank, and land necessary to insure water delivery to the Utility Districts that declare themselves Buyers.

It is anticipated engineering authorization would be requested within the next 60 days provided documentation designating Buyer/Seller Utility Districts is received prior to the Board meeting.

A Revenue Bond Sale is required to fund the project. Bond sale soft costs are not included in the project costs.

The Total Project Cost is estimated at \$8.8 million and is anticipated to take 18 months to design and construct.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

SALARIES AND BENEFITS		FISCAL REQUIREMENTS			CAPITAL/COMMODITIES/SERVICES	
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 567,500	Engineering Services
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 567,500	
BOARD ACTION:						
<input checked="" type="checkbox"/> Approved		<input type="checkbox"/> Disapproved		<input type="checkbox"/> Modified		

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: Management Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: New	PREPARED BY: Ed Shackelford

Description: Cost of Living (COL) Increase applied to Salaries.

Justification: The documented Consumer Price Index (CPI) nationally is 1.1 for the last 12 months. Harris County Government budgeted a 3% increase for FY 2002. The COL adjustment allows NHCRWA salaries to remain competitive and retain employees. The attached spreadsheet depicts incremental increases to the Budget total based on 1% thru 3% increases.

1.0% increase = \$ 3,335
 1.5% increase = \$ 5,003
 2.0% increase = \$ 6,670
 2.5% increase = \$ 8,338
 3.0% increase = \$ 10,005

We recently incurred a Group Health Insurance increase of 25% and expect another increase in the Fall 2003. Currently, 2 employees have dependent coverage of which the NHCRWA pays 50%.

GM Recommends 2% increase.

ATTACHMENT

08/19/2002 Budget Workshop - Consensus of Board: Agree with 2% recommendation

Board Approval - 09/05/2002 - 2% COL increase effective Jan. 1, 2003

SALARIES AND BENEFITS		FISCAL REQUIREMENTS				
		CAPITAL/COMMODITIES/SERVICES				
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries			6300		\$ 6,670	COL increase
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 6,670	
BOARD ACTION:		<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified				

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
SCHEDULE 2003**

POSITION	MAXIMUM SALARY	MAXIMUM - TAX	LONGEVITY	25% TAX	7.65% SOCIAL SECURITY	7% ICMA	TOTAL	1.0% COST OF LIVING	1.5% COST OF LIVING	2.0% COST OF LIVING	2.5% COST OF LIVING	3.0% COST OF LIVING
General Manager	\$ 116,804	\$ 87,603	\$ 120	\$ 29,201	\$ 8,936	\$ 8,176	\$ 134,036	1,340	2,011	2,681	3,351	4,021
Administrative Assist. III	\$ 51,880	\$ 38,910	\$ 120	\$ 12,970	\$ 3,969	\$ 3,632	\$ 59,600	596	894	1,192	1,490	1,788
Financial Assistant	\$ 45,395	\$ 34,046	\$ 120	\$ 11,349	\$ 3,473	\$ 3,178	\$ 52,165	522	782	1,043	1,304	1,565
Administrative Assist. I	\$ 29,184	\$ 21,888	\$ 120	\$ 7,296	\$ 2,233	\$ 2,043	\$ 33,579	336	504	672	839	1,007
GIS	\$ 47,218	\$ 35,414	\$ -	\$ 11,805	\$ 3,612	\$ 3,305	\$ 54,135	541	812	1,083	1,353	1,624
TOTALS	\$ 290,481	\$ 217,861	\$ 480	\$ 72,620	\$ 22,222	\$ 20,334	\$ 333,516	\$ 3,335	\$ 5,003	\$ 6,670	\$ 8,338	\$ 10,005

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY:	Capital Outlay	GENERAL MANAGER RANK:	
MAINTENANCE OF EXISTING PROGRAM:		PREPARED BY:	Ed Shackelford
NEW/EXPANDED PROGRAM REQUEST:	Expanded		

Description: Request concurrence that future office building be combined with the proposed Regional Water Plant/Repumping Station.

Justification: The office lease expires October 2005 and the option is to continue to lease space or plan for a permanent facility that houses administration/maintenance personnel, equipment, and a regional plant (approximately 12 acres). The building and site improvements are a separate item and have not been estimated.

No Funds are required at this time.

08/19/2002 Budget Workshop - Consensus of Board: Agree with concept

Board Approval - 09/05/2002

SALARIES AND BENEFITS			FISCAL REQUIREMENTS				CAPITAL/COMMODITIES/SERVICES	
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION		
1	6311 Salaries		7306			Land/Bldg purchase		
2	6314 Social Security							
3	6312 Retirement							
4	6315 Workers Comp.							
5	6313 Long Term Disability							
TOTAL					\$ -			
BOARD ACTION:			<input checked="" type="checkbox"/> Approved		<input type="checkbox"/> Disapproved		<input type="checkbox"/> Modified	

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: Management Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: Expanded	PREPARED BY: Ed Shackelford

Description: Project Coordinator
Justification: Consider adding staff position to assist with day to day operations of NHCRWA. Position includes coordination of Engineering & other technical activities along with future field operations. Additionally, this position would participate in public presentations and budget preparation. Minimum qualifications include a Bachelor of Science Degree in Civil Engineering, Licensed Professional Engineer in Texas, 10-years experience in municipality/utility district water systems. Prefer "A" Certification in water. Other qualifications include the ability to effectively communicate both verbally and in writing.
08/19/2002 Budget Workshop - Consensus of Board: Agree
Board Approval - 09/05/2002

SALARIES AND BENEFITS		FISCAL REQUIREMENTS			CAPITAL/COMMODITIES/SERVICES	
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries				\$ 85,000	
2	6314 Social Security				\$ 6,503	
3	6312 Retirement				\$ 5,950	
4	6315 Workers Comp.				\$ 135	
5	6313 Insurance				\$ 9,500	
TOTAL					\$ 107,088	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: Management Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: New	PREPARED BY: Cyndi Plunkett

Description: Accounting Clerk I

Justification: To assist the Financial Assistant with the increased duties as necessary due to the Integrated Water System Projects. The duties will include quarterly audit procedures, data entry for monthly account receivables, processing invoices

The estimated starting salary is \$25,000 plus benefits.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries				\$ 25,000	Accounting Clerk I
2	6314 Social Security				\$ 1,950	
3	6312 Retirement				\$ 1,750	
4	6315 Workers Comp.				\$ 135	
5	6313 Group Health Insurance				\$ 9,300	
TOTAL					\$ 38,135	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: Management Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: New	PREPARED BY: Lisa Sagstetter

Description:	Technology Transfer to WEB
Justification:	<p>Utilizing ArcIMS software already owned by the Authority, expand web capabilities to include geographic information, database collection and maintenance, interactive search features, all staff training, and production of annual District Resource Directory. Includes converting GIS to web-enabled format, and expanding the data management system to include tracking key components of the Integrated Water System. This will provide a standard interface to data, introduce passworded areas for special limited access areas, and eliminate the need for duplicative manual data storage and retrieval efforts (e.g., one for communications, one for pumpage billing, etc.). Promotes consistency of data used across the board with all groups of users (i.e. Management Services, Engineering Services and Communications Services, as well as the well owners).</p> <p>Additionally, potential Accounting uses and benefits are:</p> <ul style="list-style-type: none"> - updated contact information - online reporting of meter readings - automatic calculation of fees due - supplement accounting for invoicing purposes - online payment of fees capabilities - well owner history information on fees paid and pumpage volumes reported, etc. <p>Work to commence in January and continue throughout 2003.</p> <p>Technology Transfer (Convert the NHCRWA GIS to the web) – not to exceed \$54,000</p> <p>Database expansion, enhancement and support—not to exceed \$20,000</p> <p>08/19/2002 Budget Workshop - Consensus of Board: Agree with modifications - prefer to start project in FY2002</p> <p>Board Approval - 09/05/2002 - \$30,000 in 2002 Amended Budget and \$44,000 in 2003 Budget</p>

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 30,000	Technology Transfer to WEB in 2002 Budget
2 6314 Social Security						
3 6312 Retirement					\$ 44,000	Technology Transfer to WEB in 2003 Budget
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 74,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: Engineering/Communications	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: New	PREPARED BY: Lisa Sagstetter

Description: Water Conservation Education Program

Justification: Initiate two-part pilot Water Conservation Effort:

1. Establish an **Educator advisory team** to explore feasibility of developing intermediate or high school level programs that focus on local water resources and their efficient use. (Costs include meeting support, duplication, materials development, teacher workshop, and minimal honorarium.)
2. **Create new Conservation Committee** made up of MUD representatives and key consultants to help define the Authority's conservation program role and options, explore potential regulatory and pricing strategies to support/promote conservation efforts. Pattern after highly successful Water Users and Communications committees.

Annual total: \$5,000.00

A viable Water Conservation Program is essential to the GRP, the NHCRWA enabling Legislation and is also a critical component to any TWDB Grant Request/TNRCC Rules.

Explore feasibility of receiving Grant Funds to accomplish program.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries					\$ 2,500	Communications
2 6314 Social Security					\$ 2,500	Engineering Serv
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 5,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE

BUDGET CATEGORY: Management Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: Renewal	PREPARED BY: Ed Shackelford

Description: Add full time GIS/CAD Technician

Justification: Consider full time GIS/CAD Technician to input data, create files and GIS Reports, respond to inquiries from Engineers/Developers/MUD Operators, etc.

Program Management Services proposed GIS Technician at a cost of \$106,000. Our cost is estimated at \$61,230. Potential savings is approximately \$45,000.

Previously approved in FY2002 Budget, however the need to fill the position has not been justified. We request reauthorization.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries		6311	0020-010	\$ 45,000	
2	6314 Social Security		6314	0020-070	\$ 3,445	
3	6312 Retirement		6312	0020-080	\$ 3,150	
4	6315 Workers Comp.		6315	0020-100	\$ 135	
5	6313 Group Insurance		6313	0020-090	\$ 9,500	
TOTAL					\$ 61,230	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: Engineering Services	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: Renewal	PREPARED BY: Ed Shackelford

Description: **Wastewater Reuse Project**
Prepare financial & legal documents for revenue bond package.

Justification: Two reuse studies are complete depicting potential delivery of wastewater effluent to potential customers located inside or outside the NHCRWA's boundary. Delivery of the effluent consists of designing and constructing a pipe network, pump stations, storage tanks/ponds along with securing easements. Additionally, legal contracts between the NHCRWA and the receiving party will be required.

Engineering costs include design, surveying, permitting, easements/right of way documents and geotechnical services.

If approved, it is anticipated engineering would start next year and not proceed to construction till the following fiscal year.

A revenue bond issue will be required to fund the project.

Board Approval on 8/14/2001 with Modifications:

Requires wastewater effluent supply contracts with providers and users prior to commencing engineering. If a golf course and/or utility district does not want NHCRWA assistance, we are to not include them in project.

Request for reauthorization.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1	6311 Salaries				\$ 1,000,000	Engineering
2	6314 Social Security				\$ -	Financial
3	6312 Retirement				\$ -	Legal
4	6315 Workers Comp.					
5	6313 Long Term Disability					
TOTAL					\$ 1,000,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

**FISCAL YEAR 2003
SUPPLEMENTAL DECISION PACKAGE**

BUDGET CATEGORY: Capital Outlay	
MAINTENANCE OF EXISTING PROGRAM:	GENERAL MANAGER RANK:
NEW/EXPANDED PROGRAM REQUEST: Renewal	PREPARED BY: Ed Shackelford

Description: Computer Aided Drafting (CAD) Server

Justification: Currently CAD files are to be stored on the GIS Server. As work is generated both in GIS & CAD, it was recommended the CAD data files be stored on an independent CAD server. Anticipated timing to bring CAD Server online is second to third quarter 2003.

Previously approved in FY2002 Budget, however the need for the CAD Server has not been justified. We request reauthorization.

08/19/2002 Budget Workshop - Consensus of Board: Agree

Board Approval - 09/05/2002

FISCAL REQUIREMENTS						
SALARIES AND BENEFITS			CAPITAL/COMMODITIES/SERVICES			
JOB CLASSIFICATION	NO.	AMOUNT	TNRCC CODE	ACCOUNT NUMBER	TOTAL	DESCRIPTION
1 6311 Salaries			7306	0010	\$ 7,000	CAD Server
2 6314 Social Security						
3 6312 Retirement						
4 6315 Workers Comp.						
5 6313 Long Term Disability						
TOTAL					\$ 7,000	
BOARD ACTION: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved <input type="checkbox"/> Modified						

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (base Budget without Supplemental Decision Packages)

Assuming: (1) Annual Pumpage of 21,250,000,000 gals.; (2) Quarterly Operating Expenditures of \$2,305,000; (3) No Debt Service Requirements
Considering 2003 Assessments of: \$0.25 per 1,000 gallons

Year Quarter	Beginning Balance(A)	Interest Earnings(B)	Revenue from 1 Penny Assessment (C)	Pennies of Assessment(D)	Projected Assessment Revenues (E)	Other Revenues (F)	Total Funds Available	Quarterly Expenditures(G)	Projected Ending Balance
2002 4	\$7,100,000	\$142,000	\$45,000	25	\$1,113,750	\$62,500	\$8,418,250	\$2,305,000	\$6,113,250
2003 1	\$6,113,250	\$122,265	\$37,500	25	\$928,125	\$62,500	\$7,226,140	\$2,305,000	\$4,921,140
2003 2	\$4,921,140	\$98,423	\$50,000	25	\$1,237,500	\$62,500	\$6,319,563	\$2,305,000	\$4,014,563
2003 3	\$4,014,563	\$80,291	\$80,000	25	\$1,980,000	\$62,500	\$6,137,354	\$2,305,000	\$3,832,354
			\$212,500			\$250,000		\$9,220,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

(B) Projected @ 2.0%.

(C) Reflects projections of revenue generated by 1 penny of assessment for water pumped/water imported. 1 penny equals \$212,500 for the year 2003.

Water usage by fiscal year quarter : 1st quarter = 3.75B gals; 2nd quarter = 5.0B gals; 3rd quarter = 8.0B gals; 4th quarter = 4.5B gals.

(D) Reflects assessments of: \$0.25 per 1000 gals. during fiscal year 2003.

(E) Reflects the assessment revenue generated assuming a 99% collection factor.

(F) Reflects grant revenue.

(G) This schedules assumes quarterly expenditures of \$2,305,000.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (base Budget without Supplemental Decision Packages)

Assuming: (1) Annual Pumpage of 21,250,000,000 gals.; (2) Quarterly Operating Expenditures of \$2,305,000; (3) No Debt Service Requirements
Considering 2003 Assessments of: \$0.25 and \$0.30 per 1,000 gallons

Year Quarter	Beginning Balance(A)	Interest Earnings(B)	Revenue from 1 Penny Assessment (C)	Pennies of Assessment(D)	Projected Assessment Revenues (E)	Other Revenues (F)	Total Funds Available	Quarterly Expenditures(G)	Projected Ending Balance
2002 4	\$7,100,000	\$142,000	\$45,000	25	\$1,113,750	\$62,500	\$8,418,250	\$2,305,000	\$6,113,250
2003 1	\$6,113,250	\$122,265	\$37,500	25	\$928,125	\$62,500	\$7,226,140	\$2,305,000	\$4,921,140
2003 2	\$4,921,140	\$98,423	\$50,000	25	\$1,237,500	\$62,500	\$6,319,563	\$2,305,000	\$4,014,563
2003 3	\$4,014,563	\$80,291	\$80,000	30	\$2,376,000	\$62,500	\$6,533,354	\$2,305,000	\$4,228,354
			\$212,500			\$250,000		\$9,220,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

(B) Projected @ 2.0%.

(C) Reflects projections of revenue generated by 1 penny of assessment for water pumped/water imported. 1 penny equals \$212,500 for the year 2003.

Water usage by fiscal year quarter : 1st quarter = 3.75B gals; 2nd quarter = 5.0B gals; 3rd quarter = 8.0B gals; 4th quarter = 4.5B gals.

(D) Reflects assessments of: \$0.25 and \$0.30 per 1000 gals. during fiscal year 2003.

(E) Reflects the assessment revenue generated assuming a 99% collection factor.

(F) Reflects grant revenue.

(G) This schedules assumes quarterly expenditures of \$2,305,000.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (base Budget without Supplemental Decision Packages)

Assuming: (1) Annual Pumpage of 21,250,000,000 gals.; (2) Quarterly Operating Expenditures of \$2,305,000; (3) No Debt Service Requirements
Considering 2003 Assessments of: \$0.25 and \$0.30 per 1,000 gallons

Year Quarter	Beginning Balance(A)	Interest Earnings(B)	Revenue from 1 Penny Assessment (C)	Pennies of Assessment(D)	Projected Assessment Revenues (E)	Other Revenues (F)	Total Funds Available	Quarterly Expenditures(G)	Projected Ending Balance
2002 4	\$7,100,000	\$142,000	\$45,000	25	\$1,113,750	\$62,500	\$8,418,250	\$2,305,000	\$6,113,250
2003 1	\$6,113,250	\$122,265	\$37,500	25	\$928,125	\$62,500	\$7,226,140	\$2,305,000	\$4,921,140
2003 2	\$4,921,140	\$98,423	\$50,000	30	\$1,485,000	\$62,500	\$6,567,063	\$2,305,000	\$4,262,063
2003 3	\$4,262,063	\$85,241	\$80,000	30	\$2,376,000	\$62,500	\$6,785,804	\$2,305,000	\$4,480,804
			\$212,500			\$250,000		\$9,220,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

(B) Projected @ 2.0%.

(C) Reflects projections of revenue generated by 1 penny of assessment for water pumped/water imported. 1 penny equals \$212,500 for the year 2003.

Water usage by fiscal year quarter : 1st quarter = 3.75B gals; 2nd quarter = 5.0B gals; 3rd quarter = 8.0B gals; 4th quarter = 4.5B gals.

(D) Reflects assessments of: \$0.25 and \$0.30 per 1000 gals. during fiscal year 2003.

(E) Reflects the assessment revenue generated assuming a 99% collection factor.

(F) Reflects grant revenue.

(G) This schedule assumes quarterly expenditures of \$2,305,000.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (Plus Accepted Supplemental Decision Packages)

Assuming: (1) Annual Pumpage of 21,250,000,000 gals.; (2) Quarterly Operating Expenditures of \$2,642,000; (3) No Debt Service Requirements
Considering 2003 Assessments of: \$0.25 per 1,000 gallons

Year Quarter	Beginning Balance(A)	Interest Earnings(B)	Revenue from 1 Penny Assessment (C)	Pennies of Assessment(D)	Projected Assessment Revenues (E)	Other Revenues (F)	Total Funds Available	Quarterly Expenditures(G)	Projected Ending Balance
2002 4	\$7,100,000	\$142,000	\$45,000	25	\$1,113,750	\$62,500	\$8,418,250	\$2,642,000	\$5,776,250
2003 1	\$5,776,250	\$115,525	\$37,500	25	\$928,125	\$62,500	\$6,882,400	\$2,642,000	\$4,240,400
2003 2	\$4,240,400	\$84,808	\$50,000	25	\$1,237,500	\$62,500	\$5,625,208	\$2,642,000	\$2,983,208
2003 3	\$2,983,208	\$59,664	\$80,000	25	\$1,980,000	\$62,500	\$5,085,372	\$2,642,000	\$2,443,372
			\$212,500			\$250,000		\$10,568,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

(B) Projected @ 2.0%.

(C) Reflects projections of revenue generated by 1 penny of assessment for water pumped/water imported. 1 penny equals \$212,500 for the year 2003.

Water usage by fiscal year quarter : 1st quarter = 3.75B gals; 2nd quarter = 5.0B gals; 3rd quarter = 8.0B gals; 4th quarter = 4.5B gals.

(D) Reflects assessments of: \$0.25 per 1000 gals. during fiscal year 2003.

(E) Reflects the assessment revenue generated assuming a 99% collection factor.

(F) Reflects grant revenue.

(G) This schedules assumes quarterly expenditures of \$2,642,000.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (Plus Accepted Supplemental Decision Packages)

Assuming: (1) Annual Pumpage of 21,250,000,000 gals.; (2) Quarterly Operating Expenditures of \$2,642,000; (3) No Debt Service Requirements
Considering 2003 Assessments of: \$0.25 and \$0.30 per 1,000 gallons

Year Quarter	Beginning Balance(A)	Interest Earnings(B)	Revenue from 1 Penny Assessment (C)	Pennies of Assessment(D)	Projected Assessment Revenues (E)	Other Revenues (F)	Total Funds Available	Quarterly Expenditures(G)	Projected Ending Balance
2002 4	\$7,100,000	\$142,000	\$45,000	25	\$1,113,750	\$62,500	\$8,418,250	\$2,642,000	\$5,776,250
2003 1	\$5,776,250	\$115,525	\$37,500	25	\$928,125	\$62,500	\$6,882,400	\$2,642,000	\$4,240,400
2003 2	\$4,240,400	\$84,808	\$50,000	25	\$1,237,500	\$62,500	\$5,625,208	\$2,642,000	\$2,983,208
2003 3	\$2,983,208	\$59,664	\$80,000	30	\$2,376,000	\$62,500	\$5,481,372	\$2,642,000	\$2,839,372
			\$212,500			\$250,000		\$10,568,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

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NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
2003 SUMMARY BUDGET (Plus Accepted Supplemental Decision Packages)

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Considering 2003 Assessments of: \$0.25 and \$0.30 per 1,000 gallons

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2003 1	\$5,776,250	\$115,525	\$37,500	25	\$928,125	\$62,500	\$6,882,400	\$2,642,000	\$4,240,400
2003 2	\$4,240,400	\$84,808	\$50,000	30	\$1,485,000	\$62,500	\$5,872,708	\$2,642,000	\$3,230,708
2003 3	\$3,230,708	\$64,614	\$80,000	30	\$2,376,000	\$62,500	\$5,733,822	\$2,642,000	\$3,091,822
			\$212,500			\$250,000		\$10,568,000	

(A) Reflects the projected 1/1/2003 beginning cash balance of \$7,100,000.

(B) Projected @ 2.0%.

(C) Reflects projections of revenue generated by 1 penny of assessment for water pumped/water imported. 1 penny equals \$212,500 for the year 2003.

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