



# FINANCIAL STATEMENTS

**For the Nine Month Period Ended June 30, 2020**

*Prepared By:*  
*Melba D. Carvajal*  
*Director of Finance for Utilities*



## EXECUTIVE SUMMARY

### Review of the Financial Statements For the Nine Months Ending June 30, 2020

#### Statement of Revenues and Expenses

##### *Water Fund*

##### **Overall**

Year-to-date revenues are reported at \$15,530,885, an increase of \$2,224,498 or 17% from the same period of the prior year—10% under budget on a flat basis. Year-to-date operating expenses are reported at \$14,706,949, an increase of \$849,618 or 6% from the same period of the prior year—8% under budget on a flat basis. This resulted in year-to-date operating revenues over expenses of \$823,937 before the required transfers-out to fund the principal portion of debt service and capital replacements and improvements.

#### Condensed Results of Operations Nine-month Period Ending June 30, 2020

	6/30/2020	6/30/2019	Inc/(Dec)	% Inc/(Dec)	Current Year Budget	% of Budget
Revenues	15,530,885	13,306,387	2,224,498	16.72%	23,786,928	65.29%
Expenses	14,706,949	13,857,330	849,618	6.13%	21,999,508	66.85%
<b>Net Income</b>	<b>823,937</b>	<b>(550,943)</b>			<b>1,787,420</b>	
Consumption (gals.)	5,794,440,900	5,156,403,100	638,037,800	12.37%	9,000,000,000	64.38%
Number of Accounts	48,382	47,757	625	1.31%		
% of Year Completed:	75%					

##### **Revenues**

##### ***Charges to Users***

Charges to user revenue for all categories of customers aggregates, \$13,923,503, which is \$2,363,577, or 20% over the same period of the prior year, 11% under budget. The residential category, experienced a 21% increase in revenues and 14% increase in consumption during the nine-month period, as indicated on page 3. The commercial category's year-to-date revenues and consumption were over the prior year by 19% and 11%, respectively, when combining commercial and regional water sales. Finally, revenues and consumption in the industrial category increased 13% and 3%, respectively, from the prior year. Consumption within all categories of accounts increased 12% from the prior year, while remaining 11% below total planned consumption of 9,000,000,000 gallons for the period and is reflected on page 3 of the

financial report. In an effort to more accurately project our current position to plan based on a seven-year lookback, the usage allocation for the first six months compared to the hotter second six months of the year was changed from 40%/60% to 45%/55%. As such, it is expected that 45% of consumption and related user charge revenues will be experienced the first half of the fiscal year, with the remaining 55% experienced the second half of the fiscal year.

### **Tap Fees**

This revenue line item, at \$228,950, is 10% over the same period last year and 24% under budget on a flat basis.

### **Connects & Reconnects**

This revenue line item, at \$234,825, is 18% under last year, 12% under budget for the period. Due to the coronavirus (COVID-19) pandemic, accounts were not disconnected for non-payment resulting in a decrease in reconnection fees.

### **Other Operating Revenues**

This revenue line item is comprised of late fees and payment extension fees and, at \$297,399, is 13% lower than last year and 1% under year-to-date budget. In an effort to lessen the burden to our customers facing unanticipated expenses related to COVID-19, late fees were not charged for the months of April and May.

### **Reimbursements**

Reimbursements at \$22,301 came in \$126,387 under the prior year, 12% under the annual budget amount of \$35,500.

### **Miscellaneous Revenues**

This revenue line item is comprised of water tower lease fees, recovery of prior year expenses, insufficient funds charge-back fees and other fees recognized, and, at \$265,498, is 5% over the prior year and 38% over year-to-date budget.

### **Interest income**

Interest earnings are underperforming the prior year while significantly over budget. As shown on the Investment Analysis, located on page 12 of the financial report, the blended rate for funds invested in the M&O portion of the Water Fund was 1.11% compared to 2.39% the prior year; the fund as a whole, 1.20% compared to 2.12% the prior year. Excluding non-interest-bearing demand accounts and TexPool, the blended rate for investments in the fund as a whole is 1.85% compared to 2.42% the prior year.

### **Expenses**

Almost without exception, expense line items, year-to-date, were under budget on a flat basis. The more significant fluctuations are presented on page 3 of the financial report.

### **Accounts**

The number of water accounts serviced increased 1% from the prior year. At June 30, 2020, 48,382 water accounts were serviced compared to 47,757 the prior year, an increase of 625 new accounts. During the nine months of the current fiscal year, the number of accounts increased by 432 new accounts compared to an increase of 358 new accounts recognized the first nine months of the prior year.

**Wastewater Fund**

**Overall**

As presented on page 5 of the report, year-to-date revenues are reported at \$14,359,543, an increase of \$1,582,976, or 12% from the same period of the prior year—11% under budget on a flat basis. Year-to-date operating expenses are reported at \$13,414,240, an increase of \$623,268, or 5% over the same period of the prior year—5% under budget on a flat basis. This resulted in net operating revenues over expenses of \$945,303 before the required transfers-out to fund the principal portion of debt service and capital replacements and improvements.

**Condensed Results of Operations  
Nine-month Period Ending June 30, 2020**

	6/30/2020	6/30/2019	Inc/(Dec)	% Inc/(Dec)	Current Year Budget	% of Budget
Revenues	14,359,543	12,776,567	1,582,976	12.39%	22,398,344	64.11%
Expenses	13,414,240	12,790,972	623,268	4.87%	19,283,278	69.56%
<b>Net Income</b>	<b><u>945,303</u></b>	<b><u>(14,405)</u></b>			<b><u>3,115,067</u></b>	
Consumption (gals.)	4,609,610,200	4,262,959,800	346,650,400	8.13%	7,142,138,000	64.54%
Number of Accounts	42,705	42,705	583	1.38%		
% of Year Completed:	75%					

**Revenues**

**Charges to Users**

Charges to user revenue for all categories of customers for the nine-month period aggregates \$13,070,748, an increase of \$1,623,549, or 14%, from the same period of the prior year, 11% under budget. Generally, wastewater rates are applied to metered water, and, therefore, the water consumption comparison data on page 3 is normally relevant in explaining revenue variances between the fiscal years. Revenues within the residential category increased by 18% compared to the prior year. The commercial category revenues were 7% over the same period of the prior year, when combining both the commercial and City of Alton revenues. The industrial category experienced a 9% increase in revenues when compared to the prior year.

**Calpine/Duke and Other Reuse Charges**

Combined reuse charges of \$659,935, are 6% over the prior year, 12% over the annual budgeted amount of \$760,000 on a flat basis.

**Industrial Waste Surcharge**

This revenue line, at \$518,152, is 24% under the prior year, 33% under the annual budgeted amount of

\$1,240,000 on a flat basis.

**Reimbursements**

Reimbursements, at \$81,247, are above the annual budgeted amount of \$91,500.

**Miscellaneous Revenues**

This revenue line item is comprised primarily of Wastewater charges and industrial surcharges billed and collected by Sharyland Water Supply Corporation and the City of Mission on our behalf pursuant to an Interlocal Agreement, recovery of prior year expenses, septic tank hauler fees and other fees recognized, and, at \$530,590, is significantly over the prior year and budget.

**Interest income**

Interest earnings are performing under prior year, but well above budget. As shown on the Investment Analysis, located on page 12 of the financial report, the blended rate for funds invested in the M&O portion of the Wastewater Fund was 0.66% compared to 1.73% the prior year; the fund as a whole, 1.16% compared to 2.25% the prior year. Excluding non-interest-bearing demand accounts and TexPool, the blended rate for investments in the fund as a whole is 1.85% compared to 2.42% the prior year.

**Expenses**

Almost without exception, expense line items, year-to-date, were from budget. The more significant fluctuations are discussed on page 6.

**Accounts**

The number of Wastewater accounts serviced increased 1% from the prior year. At June 30, 2020, 43,192 Wastewater accounts were serviced compared to 42,705 the prior year, an increase of 487 new accounts. During the nine months of the current fiscal year, the number of accounts increased by 388 new accounts compared to an increase of 419 new accounts recognized the first nine months of the prior year.

## *Balance Sheets*

### *Water & Wastewater Funds -- Combined*

Both the Water and Wastewater Funds financial condition remains stable, as indicated on pages 8 and 9. Combined working capital amounts to \$12,134,345. Debt-equity ratio is 0.95/1. The restricted accounts, the portion relating to debt service, are considered adequate.

### *Investments - Water & Wastewater Funds*

A summary of the portfolio for the Water and Wastewater Funds is presented on page 12 of the financial report. As of June 30, 2020, overall the portfolio is allocated with \$1,389,600 in non-interest-bearing demand deposit accounts; \$19,794,958 in certificates of deposit earning a blended rate of 1.62%; \$1,028,414 in the CDARS program earning 2.62%; \$10,502,688 in government agency securities, which are currently earning a blended rate of 1.73%; and \$18,414,550 in TEXPOOL Prime, which earned 0.52% in June. The overall blended yield of the entire portfolio is presented as 1.17%. The blended yield on investments, excluding cash and TexPool is 1.69%. In addition, \$12,836,046 in loan proceeds from the Texas Water Development Board were held in escrow and invested in cash and money market mutual funds as of June 30, 2020, compared to \$20,502,878 as of June 30, 2019, a decrease of \$7,666,832 used for various capital projects.

**McALLEN PUBLIC UTILITY - WATER FUND & WASTEWATER FUND**  
**COMBINED STATEMENT OF REVENUES AND EXPENSES & CHANGE IN NET ASSETS**

For the Nine Month Period Ended June 30, 2020

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Combined</u>
<b>OPERATING REVENUES</b>			
Residential Charges	\$ 8,978,086	\$ 8,733,853	\$ 17,711,939
Commercial Charges	4,533,538	2,919,222	7,452,760
Industrial Charges	287,036	171,438	458,474
City of Alton User Charges	-	586,300	586,300
Calpine/Duke Reuse Charges	-	537,167	537,167
Reuse-Water Charges	-	122,768	122,768
Regional Water Sales	124,843	-	124,843
Industrial Waste Surcharge	-	518,152	518,152
Reimbursements	22,301	81,247	103,547
Billing Charges	344,988	-	344,988
Connects/Reconnects	234,825	-	234,825
Tap Fees	228,950	-	228,950
Other Charges	562,897	560,340	1,123,237
Total Operating Revenues	15,317,463	14,230,486	29,547,949
<b>NON-OPERATING REVENUES</b>			
Sale of Property	31,574	25,529	57,102
Interest	181,847	103,528	285,376
Total Non-Operating Revenues	213,421	129,056	342,478
<b>TOTAL REVENUES</b>	<b>15,530,885</b>	<b>14,359,543</b>	<b>29,890,427</b>
<b>EXPENSES</b>			
Plants	3,142,168	3,121,609	6,263,777
Cost of Raw Water	1,518,326	-	1,518,326
Labs	306,610	402,475	709,084
Distribution & Collections	1,757,560	1,709,049	3,466,609
Meter Readers	733,312	-	733,312
Utility Billing	565,871	-	565,871
Customer Relations	841,203	-	841,203
Treasury Management	405,758	-	405,758
General & Administration	1,192,031	661,043	1,853,074
Employee Benefits	3,500	-	3,500
Insurance	29,295	31,896	61,191
Pension Expense-TMRS (GASB 68)	-	-	-
TMRS Benefits-Contra (GASB 68)	-	-	-
Debt Service	785,617	1,056,954	1,842,570
Billing Charges	-	172,494	172,494
Depreciation*	3,425,698 *	6,258,722 *	9,684,419
<b>TOTAL EXPENSES</b>	<b>14,706,949</b>	<b>13,414,240</b>	<b>28,121,189</b>
<b>INCOME(LOSS) PRIOR TO CONTRIBUTIONS &amp; TRANSFERS</b>			
	<b>\$ 823,937</b>	<b>\$ 945,303</b>	<b>\$ 1,769,239</b>
<b>Contributions - Acquired Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net assets</b>	<b>\$ 823,937</b>	<b>\$ 945,303</b>	<b>\$ 1,769,239</b>
<i>Transfer to Capital Improvement Fund</i>	<i>\$ 953,964</i>	<i>\$ 627,948</i>	<i>\$ 1,581,912</i>
<i>Transfer to Depreciation Fund</i>	<i>1,198,994</i>	<i>2,503,489</i>	<i>3,702,483</i>
<i>Transfer to TWDB Construction-Loan Reimbursement</i>	<i>-</i>	<i>4,468,396</i>	<i>4,468,396</i>
<i>Capitalized Interest</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Bond Refunding Costs</i>	<i>231,144</i>	<i>108,354</i>	<i>339,498</i>
<i>Health Insurance Fund</i>	<i>155,511</i>	<i>88,533</i>	<i>244,044</i>

\* Depreciation is recorded at 100% for financial statement purposes but funded at 35% within the Water Fund and 40% within the Wastewater Fund.

**McALLEN PUBLIC UTILITY**  
**WATER FUND**  
**COMPARATIVE STATEMENT OF REVENUES AND EXPENSES**  
For the Nine Month Period Ended June 30, 2020

	Budget	Year-To-Date				Inc/Dec	75.00% Completed Actual % to Budget
		Current	Prior	Variance			
<b>REVENUES</b>							
1 Residential Charges	\$ 14,371,367	\$ 8,978,086	\$ 7,401,075	\$ 1,577,011		21.31%	62.47%
2 Commercial Charges	6,499,482	4,533,538	3,853,999	679,539		17.63%	69.75%
3 Industrial Charges	541,053	287,036	253,921	33,116		13.04%	53.05%
4 Backflow Testing Charges	-	-	-	-		0.00%	0.00%
5 Regional Water Usage	340,000	124,843	50,931	73,912		145.12%	36.72%
<b>Total users' charges</b>	<b>21,751,902</b>	<b>13,923,503</b>	<b>11,559,926</b>	<b>2,363,577</b>		<b>20.45%</b>	<b>64.01%</b>
6 Tap Fees	450,000	228,950	208,575	20,375		9.77%	50.88%
7 Connects & Reconnects	370,000	234,825	285,000	(50,175)		-17.61%	63.47%
8 Other Operating Revenues	400,000	297,399	341,896	(44,497)		-13.01%	74.35%
9 Other Revenues - Sale of Property	-	31,574	(2,738)	34,312		0.00%	0.00%
11 Reimbursements - Sharyland #2	-	-	-	-		0.00%	0.00%
16 Reimbursements - Other	35,500	22,301	148,687	(126,387)		-85.00%	62.82%
17 Miscellaneous	235,000	265,498	251,722	13,776		5.47%	112.98%
18 Interest Earned	84,526	181,847	283,327	(101,480)		-35.82%	215.14%
19 <b>Revenues before billing charges</b>	<b>23,326,928</b>	<b>15,185,897</b>	<b>13,076,395</b>	<b>2,109,502</b>		<b>16.13%</b>	<b>65.10%</b>
20 Billing Charges	460,000	344,988	229,992	114,996		50.00%	75.00%
21 <b>TOTAL REVENUES</b>	<b>23,786,928</b>	<b>15,530,885</b>	<b>13,306,387</b>	<b>2,224,498</b>		<b>16.72%</b>	<b>65.29%</b>
<b>EXPENSES</b>							
22 Water Plants	4,739,853	3,142,168	2,979,540	D 162,628		5.46%	66.29%
23 Cost of Raw Water	2,597,311	1,518,326	1,270,155	E 248,171		19.54%	58.46%
24 Water Lab	444,954	306,610	300,957	F 5,653		1.88%	68.91%
25 Trans & Distribution	2,826,456	1,757,560	1,688,403	G 69,156		4.10%	62.18%
26 Meter Readers	1,120,102	733,312	667,460	H 65,852		9.87%	65.47%
27 Utility Billing	833,963	565,871	534,323	I 31,548		5.90%	67.85%
28 Customer Relations	1,108,154	841,203	656,689	J 184,514		28.10%	75.91%
29 Treasury Management	569,526	405,758	351,402	K 54,356		15.47%	71.24%
30 General & Admin	1,955,948	1,192,031	1,142,550	L 49,481		4.33%	60.94%
31 Non-recurring Expense	-	-	-	-		0.00%	0.00%
32 Employee Benefits	123,477	3,500	40,500	(37,000)		-91.36%	2.83%
33 Insurance	55,099	29,295	29,295	-		0.00%	53.17%
34 Pension Expense-TMRS (GASB 68)	-	-	-	-		0.00%	0.00%
35 TMRS Benefits-Contra (GASB 68)	-	-	-	-		0.00%	0.00%
36 <b>Sub-Total Expenses</b>	<b>16,374,843</b>	<b>10,495,634</b>	<b>9,661,275</b>	<b>834,360</b>		<b>8.64%</b>	<b>64.10%</b>
37 Debt Service	1,050,419	785,617	791,939	(6,322)		-0.80%	74.79%
38 Depreciation *	4,574,246	3,425,698	3,404,117	21,581		0.63%	74.89%
39 <b>TOTAL EXPENSES</b>	<b>21,999,508</b>	<b>14,706,949</b>	<b>13,857,330</b>	<b>849,618</b>		<b>6.13%</b>	<b>66.85%</b>
40 <b>Revenues Over (Under) Expenses</b>	<b>1,787,420</b>	<b>823,937</b>	<b>(550,943)</b>				
41 <b>Contributions - Acquired assets</b>	<b>-</b>	<b>-</b>	<b>-</b>				
42 <b>Change in Net Assets</b>		<b>823,937</b>	<b>(550,943)</b>				
<b>NON-OPERATING EXPENSES</b>							
43 Capital Outlay	-	-	-	-			
44 Transfer to Capital Improvements	1,271,960	953,964	878,184	75,780			
45 Transfer to Misc. Gov't Grants	-	-	6,925,775	(6,925,775)			
46 Transfer to Depreciation	1,600,986	1,198,994	1,191,441	7,553			
47 Reserve for Water Rights	-	-	-	-			
48 Rebatable Arbitrage	-	-	-	-			
49 Capitalized Interest	-	-	-	-			
50 Bond Refunding Costs	-	231,144	171,185	59,959			
51 Health Insurance Fund	207,352	155,511	354,483	(198,972)			
52 Transfer to Sewer Fund (reimbursement)	-	-	55,347	(55,347)			

\* Depreciation is recorded at 100% for financial statement purposes but funded at 35%



**McALLEN PUBLIC UTILITY**  
**WATER FUND REFERENCE NOTES**  
For the Nine Month Period Ended June 30, 2020

Ref	Description	Month Ending				Fiscal Year-to-Date			% Inc (Dec)	
		CONSUMPTION	30-Jun-20	30-Jun-19	Inc(Dec)	% Inc(Dec)	30-Jun-20	30-Jun-19		Inc(Dec)
A	Residential		363,883,000	391,776,000	(27,893,000)	-7.12%	3,253,738,200	2,846,619,700	407,118,500	14.30%
B	Commercial		254,727,600	289,444,100	(34,716,500)	-11.99%	2,367,709,500	2,141,902,800	225,806,700	10.54%
C	Industrial		26,342,800	25,118,300	1,224,500	4.87%	172,993,200	167,880,600	5,112,600	3.05%
	<b>Total</b>		<b>644,953,400</b>	<b>706,338,400</b>	<b>(61,385,000)</b>	<b>-8.69%</b>	<b>5,794,440,900</b>	<b>5,156,403,100</b>	<b>638,037,800</b>	<b>12.37%</b>

**NUMBER OF WATER ACCOUNTS**

A	Residential	**	40,670	40,129	541	1.35%
B	Commercial		7,560	7,477	83	1.11%
C	Industrial		152	151	1	0.66%
	<b>Total</b>		<b>48,382</b>	<b>47,757</b>	<b>625</b>	<b>1.31%</b>

\* Gallons year-to-date for Sharyland accounts = 32,220,900  
\*\* Number of Sharyland accounts = 265

Growth in number of new accounts for the current fiscal year:			Growth in number of new accounts prior year:		
Number of accounts at	6/30/2020	48,382	6/30/2019	47,757	
Number of accounts at	9/30/2019	47,950	9/30/2018	47,399	
<b>Increase/(Decrease) in accounts</b>		<b>432</b>		<b>358</b>	

**ANALYSIS OF NET CHANGE IN YEAR-TO-DATE OPERATING EXPENDITURES:**

	Wages/Benefits	Supplies & Chemicals	Other Services & Charges	Maintenance	Non-capitalized Capital Outlay	Net Change
D Water Plants	\$ 18,202	\$ 43,818	\$ 162,369	\$ (67,892)	\$ 6,130	\$ 162,628
E Cost of Raw Water	-	-	248,171	-	-	248,171
F Water Lab	13,978	373	9,771	(16,591)	(1,879)	5,653
G Trans & Distribution	43,876	3,818	104,143	(70,021)	(12,660)	69,156
H Meter Readers	57,352	728	5,157	(5,786)	8,400	65,852
I Utility Billing	19,208	3,664	7,611	1,469	(403)	31,548
J Customer Relations	72,151	(647)	93,007	8,032	11,971	184,514
K Treasury Management	14,734	(300)	33,538	3,688	2,696	54,356
L General & Admin	134,227	5,702	(94,755)	42	4,264	49,481
	<b>\$ 373,730</b>	<b>\$ 57,158</b>	<b>\$ 569,013</b>	<b>\$ (147,059)</b>	<b>\$ 18,519</b>	<b>\$ 871,360</b>

**ANALYSIS OF ACTUAL TO BUDGETED CONSUMPTION & REVENUES**

<b>Budgeted Consumption for fy 2019-20 (gals.)</b>		<b>9,000,000,000</b>		<b>Monthly Planned Consumption</b>
* 45% of planned consumption		4,050,000,000		October 675,000,000
* 55% of planned consumption		4,950,000,000		November 675,000,000
				December 675,000,000
Planned consumption at 6/30/2020		6,525,000,000		January 675,000,000
Actual consumption at 6/30/2020		5,794,440,900		February 675,000,000
<b>Excess/(deficiency) to planned</b>		<b>(730,559,100)</b>	<b>-11.20%</b>	March 675,000,000
				April 825,000,000
<b>Budgeted User Charge Revenues for fy 2019-20</b>		<b>\$ 21,751,902</b>		May 825,000,000
* 45% of planned revenues		9,788,356		June 825,000,000
* 55% of planned revenues		11,963,546		July 825,000,000
				August 825,000,000
Planned revenues at 6/30/2020		15,770,129		September 825,000,000
Actual revenues at 6/30/2020		13,923,503		
<b>Excess/(deficiency) to planned</b>		<b>\$ (1,846,626)</b>	<b>-11.71%</b>	<b>Total 9,000,000,000</b>

\* Note: The usage percentages have been changed from 40%/60% to 45%/55% to more accurately reflect actual usage.

**McALLEN PUBLIC UTILITY**  
**WATER IMPROVEMENT FUNDS**  
**STATEMENT OF SOURCES AND USES**  
For the Nine Month Period Ended June 30, 2020

	Water Depreciation				Water Capital Improvement			
	Budget	YTD Budget	YTD	% to YTD Budget *	Budget	YTD Budget	YTD	% to YTD Budget *
<b>Sources</b>								
Interest Revenue	\$ 103,019	\$ 77,264	\$ 99,841	129.22%	\$ 67,573	\$ 50,680	\$ 60,969	120.30%
Miscellaneous	0	0	0	0.00%	0	0	0	0.00%
Transfers In	1,600,986	1,200,740	1,198,994	99.85%**	1,271,960	953,970	953,964	100.00%
<b>Total Sources</b>	<b>\$ 1,704,005</b>	<b>\$ 1,278,004</b>	<b>\$ 1,298,835</b>	<b>101.63%</b>	<b>1,339,533</b>	<b>1,004,650</b>	<b>1,014,933</b>	<b>101.02%</b>
<b>Uses</b>								
Replacement (Infrastructure)	2,182,070	1,636,553	329,709	20.15%	0	0	0	0.00%
Capital Outlay	901,500	676,125	673,189	99.57%	3,329,460	2,497,095	1,732,853	69.39%
Transfers Out	0	0	0	0.00%	0	0	0	0.00%
<b>Total Uses</b>	<b>\$ 3,083,570</b>	<b>\$ 2,312,678</b>	<b>\$ 1,002,898</b>	<b>43.37%</b>	<b>\$ 3,329,460</b>	<b>\$ 2,497,095</b>	<b>\$ 1,732,853</b>	<b>69.39%</b>
<b>Sources Over/ (Under) Uses</b>	<b>\$ (1,379,565)</b>	<b>\$ (1,034,674)</b>	<b>\$ 295,938</b>		<b>\$ (1,989,927)</b>	<b>\$ (1,492,445)</b>	<b>\$ (717,919)</b>	

\*75% of the year completed

**McALLEN PUBLIC UTILITY**  
**WASTEWATER FUND**  
**COMPARATIVE STATEMENT OF REVENUES AND EXPENSES**

For the Nine Month Period Ended June 30, 2020

	Budget	Year-To-Date				75.00%
		Current	Prior Year	Variance	Inc/Dec	Actual % To Budget
<b>REVENUES</b>						
1 Residential Charges	\$ 13,172,770	\$ 8,733,853	\$ 7,389,860	A \$ 1,343,992	18.19%	66.30%
2 Commercial Charges	5,489,450	2,919,222	2,776,802	A 142,421	5.13%	53.18%
3 Industrial Charges	402,851	171,438	157,517	A 13,921	8.84%	42.56%
4 City of Alton User Charges	650,000	586,300	498,573	A 87,726	17.60%	90.20%
5 Calpine/Duke Reuse Charges	640,000	537,167	548,614	A (11,447)	-2.09%	83.93%
6 Reuse-Water Charges	120,000	122,768	75,832	A 46,936	61.89%	102.31%
Total users' charges	<b>20,475,071</b>	<b>13,070,748</b>	<b>11,447,199</b>	<b>1,623,549</b>	<b>14.18%</b>	<b>63.84%</b>
7 Ind. Waste Surcharge	1,240,000	518,152	677,969	(159,817)	-23.57%	41.79%
8 Other Operating Revenues	-	29,750	1,200	28,550	0.00%	0.00%
9 Other Revenues - Sale of Property	-	25,529	8,527	17,001	0.00%	0.00%
10 Reimbursements	91,500	81,247	48,591	32,656	67.21%	88.79%
11 Miscellaneous	538,000	530,590	428,320	102,270	23.88%	98.62%
12 Interest Earned	53,773	103,528	164,761	(61,233)	-37.16%	192.53%
<b>13 Total Revenues</b>	<b>22,398,344</b>	<b>14,359,543</b>	<b>12,776,567</b>	<b>1,582,976</b>	<b>12.39%</b>	<b>64.11%</b>
<b>EXPENSES</b>						
14 Wastewater Plant	5,053,777	3,121,609	2,780,859	B 340,750	12.25%	61.77%
15 Wastewater Lab	588,358	402,475	398,894	C 3,581	0.90%	68.41%
16 Wastewater Collections	2,393,168	1,709,049	1,550,626	D 158,423	10.22%	71.41%
17 General & Admin.	1,286,359	661,043	676,206	E (15,163)	-2.24%	51.39%
18 Employee Benefits	43,655	-	-	-	0.00%	0.00%
19 Insurance	65,261	31,896	31,896	-	0.00%	48.87%
20 Pension Expense-TMRS (GASB 68)	-	-	-	-	0.00%	0.00%
21 TMRS Benefits-Contra (GASB 68)	-	-	-	-	0.00%	0.00%
<b>22 Sub-Total Expenses</b>	<b>9,430,578</b>	<b>5,926,071</b>	<b>5,438,480</b>	<b>487,591</b>		<b>62.84%</b>
22 Debt Service	1,411,487	1,056,954	1,094,354	(37,401)	-3.42%	74.88%
23 Depreciation *	8,211,213	6,258,722	6,085,643	173,078	2.84%	76.22%
24 Expenses Before Billing Charges	19,053,278	13,241,746	12,618,478	623,268	4.94%	69.50%
25 Billing Charges	230,000	172,494	172,494	-	0.00%	75.00%
<b>26 TOTAL EXPENSES</b>	<b>19,283,278</b>	<b>13,414,240</b>	<b>12,790,972</b>	<b>623,268</b>	<b>4.87%</b>	<b>69.56%</b>
<b>27 Revenues Over (Under) Expenses</b>	<b>\$ 3,115,067</b>	<b>\$ 945,303</b>	<b>\$ (14,405)</b>			
28 Contributions - Acquired assets	-	-	-			
<b>29 Change in Net Assets</b>		<b>945,303</b>	<b>(14,405)</b>			
<b>NON-OPERATING EXPENSES</b>						
30 Capital Outlay	-	-	-	-		
31 Transfer to Capital Improvement	837,270	627,948	802,953	(175,005)		
32 Transfer to Depreciation	3,284,485	2,503,489	2,434,257	69,231		
33 Transfer to TWDB Construction-Loan Reimbursement	-	4,468,396	1,660,902	2,807,494		
34 Rebatable Arbitrage	-	7,234	-	7,234		
35 Capitalized Interest	-	-	-	-		
36 Bond Refunding Costs	-	108,354	74,562	33,792		
37 Health Insurance	118,054	88,533	201,825	(113,292)		
38 Transfer from Water Fund	-	-	(55,347)	55,347		

\* Depreciation is recorded 100% for financial statement purposes but funded at 40% reduced from 50% effective October 1, 2018

**McALLEN PUBLIC UTILITY**  
**WASTEWATER FUND REFERENCE NOTES**  
For the Nine Month Period Ended June 30, 2020

Ref	Description	Month Ending				Fiscal Year-to-Date			
		30-Jun-20	30-Jun-19	Inc(Dec)	% Inc(Dec)	30-Jun-20	30-Jun-19	Inc(Dec)	(Dec)
	<b>CONSUMPTION</b>								
A	Residential	309,135,000	324,815,600	(15,680,600)	-4.83%	2,700,164,100	2,382,109,700	318,054,400	13.35%
A	Commercial	201,807,600	212,122,300	(10,314,700)	-4.86%	1,767,175,600	1,741,267,300	25,908,300	1.49%
A	Industrial	23,901,200	22,302,200	1,599,000	7.17%	142,270,500	139,582,800	2,687,700	1.93%
	<b>Total</b>	<b>534,843,800</b>	<b>559,240,100</b>	<b>(24,396,300)</b>	<b>-4.36%</b>	<b>4,609,610,200</b>	<b>4,262,959,800</b>	<b>346,650,400</b>	<b>8.13%</b>

Ref	Description	Month Ending				Fiscal Year-to-Date			
		30-Jun-20	30-Jun-19	Inc(Dec)	% Inc(Dec)	30-Jun-20	30-Jun-19	Inc(Dec)	(Dec)
	<b>REUSE CONSUMPTION *</b>								
	Residential	5,843,900	4,806,800	1,037,100	21.58%	44,116,600	27,921,000	16,195,600	58.01%
	Commercial	5,332,000	7,918,800	(2,586,800)	-32.67%	49,814,000	35,955,600	13,858,400	38.54%
	Industrial	0	0	0	0.00%	0	0	0	0.00%
	<b>Total</b>	<b>11,175,900</b>	<b>12,725,600</b>	<b>(1,549,700)</b>	<b>-12.18%</b>	<b>93,930,600</b>	<b>63,876,600</b>	<b>30,054,000</b>	<b>47.05%</b>

\* Excludes effluent to power plants

**NUMBER OF WASTEWATER ACCOUNTS**

A	Residential	**	37,524	37,045	479	1.29%
A	Commercial		5,546	5,539	7	0.13%
A	Industrial		122	121	1	0.83%
	<b>Total</b>		<b>43,192</b>	<b>42,705</b>	<b>487</b>	<b>1.14%</b>

Number of new accounts for the current fiscal year:

Number of accounts at	6/30/2020	43,192
Number of accounts at	9/30/2019	42,804
<b>Increase/(Decrease) in accounts</b>		<b>388</b>

Growth in number of new accounts prior year:

6/30/2019	42,705
9/30/2018	42,286
	<b>419</b>

**NUMBER OF REUSE ACCOUNTS**

A	Residential	332	242	90	37.19%
A	Commercial	16	14	2	14.29%
A	Industrial	0	0	0	0.00%
	<b>Total</b>	<b>348</b>	<b>256</b>	<b>92</b>	<b>35.94%</b>

**ANALYSIS OF NET CHANGE IN YEAR-TO-DATE OPERATING EXPENDITURES:**

	Wages/Benefits	Supplies	Other Services & Charges	Maintenance	Non-capitalized Capital Outlay	Total
B Wastewater Plant	\$ 145,211	\$ 34,379	\$ 68,170	\$ 30,735	\$ 62,256	\$ 340,750
C Wastewater Lab	7,867	10,151	1,946	(1,854)	(14,529)	3,581
D Wastewater Collections	47,470	12,555	3,910	93,896	592	158,423
E General & Admin.	64,520	(1,183)	(75,034)	(3,466)	-	(15,163)
	<b>\$ 265,069</b>	<b>\$ 55,902</b>	<b>\$ (1,008)</b>	<b>\$ 119,310</b>	<b>\$ 48,318</b>	<b>\$ 487,591</b>

**ANALYSIS OF ACTUAL TO BUDGETED CONSUMPTION & REVENUES**

<b>Budgeted Consumption for fy 2019-20 (gals.)</b>	<b>7,142,138,000</b>	<b>Monthly Planned Consumption</b>	
* 45% of planned consumption	3,213,962,100	October	535,660,350
* 55% of planned consumption	3,928,175,900	November	535,660,350
		December	535,660,350
Planned consumption at 6/30/20	5,178,050,050	January	535,660,350
Actual consumption at 6/30/20	4,609,610,200	February	535,660,350
<b>Excess/(deficiency) to planned</b>	<b>(568,439,850)</b>	March	535,660,350
		April	654,695,983
<b>Budgeted User Charge Revenues for fy 2019-20</b>	<b>\$ 19,835,071</b>	May	654,695,983
* 45% of planned revenues	8,925,782	June	654,695,983
* 55% of planned revenues	10,909,289	July	654,695,983
		August	654,695,983
Planned revenues at 6/30/20	14,380,426	September	654,695,983
Actual revenues at 6/30/20	12,533,581	<b>Total</b>	<b>7,142,138,000</b>
<b>Excess/(deficiency) to planned</b>	<b>\$ (1,846,846)</b>		

\* Note: The usage percentages have been changed from 40%/60% to 45%/55% to more accurately reflect actual usage.

**McALLEN PUBLIC UTILITY**  
**WASTEWATER IMPROVEMENT FUNDS**  
**STATEMENT OF SOURCES & USES**  
For the Nine Month Period Ended June 30, 2020

	Wastewater Depreciation				Wastewater Capital Improvement			
	Budget	YTD Budget	YTD	To Y-T-D Budget *	Budget	YTD Budget	YTD	To Y-T-D Budget *
<b>Sources</b>								
Interest Revenue	\$ 169,418	\$ 127,064	\$ 210,547	165.70%	\$ 77,384	\$ 58,038	\$ 77,412	133.38%
Miscellaneous	-	-	-	0.00%	-	-	-	0.00%
Transfers In	3,284,485	2,463,364	2,503,489	101.63%	837,270	627,953	627,948	100.00%
<b>Total Sources</b>	<b>\$ 3,453,903</b>	<b>\$ 2,590,427</b>	<b>\$ 2,714,036</b>	<b>104.77%</b>	<b>\$ 914,654</b>	<b>\$ 685,991</b>	<b>\$ 705,360</b>	<b>102.82%</b>

<b>Uses</b>								
Replacement (Infrastructure)	1,505,000	1,128,750	411,173	36.43%	-	-	-	0.00%
Capital Outlay	1,055,660	791,745	985,534	124.48%	2,459,770	1,844,828	256,762	13.92%
Transfers Out	-	-	-	0.00%	-	-	-	0.00%
<b>Total Uses</b>	<b>\$ 2,560,660</b>	<b>\$ 1,920,495</b>	<b>\$ 1,396,706</b>	<b>72.73%</b>	<b>\$ 2,459,770</b>	<b>\$ 1,844,828</b>	<b>\$ 256,762</b>	<b>13.92%</b>
<b>Sources Over/ (Under) Uses</b>	<b>\$893,243</b>	<b>\$669,932</b>	<b>\$1,317,330</b>		<b>(\$1,545,116)</b>	<b>(\$1,158,837)</b>	<b>\$448,598</b>	

\*75% of the year completed

**WATER & WASTEWATER FUND  
COMBINED BALANCE SHEET**

as of June 30, 2020

	<u>WATER FUND</u> *	<u>WASTEWATER FUND</u> *	<u>COMBINED</u>
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash & Investments			
Demand.....	\$ 1,808,207	\$ 187,316	\$ 1,995,523
Time Deposits.....	4,024,636	1,002,920	5,027,555
Investments.....	197,885	1,807,776	2,005,662
Market Value Adjustment.....	7,595	0	7,595
Mgr/Trust Cash.....	0	0	0
Receivables, net:			
Accounts.....	2,097,945	2,170,354	4,268,300
Accrued Interest.....	17,950	137	18,087
Due From Other Funds.....	0	0	0
Water/Sewer Line Assessments.....	0	2,800	2,800
Inventories, at cost.....	182,292	0	182,292
Miscellaneous.....	0	0	0
Prepaid expenses.....	0	0	0
<b>Total Current Assets</b>	<b>\$ 8,336,510</b>	<b>\$ 5,171,304</b>	<b>\$ 13,507,814</b>
Notes Receivable	81,269	96,010	177,279
<u>Restricted Assets</u>			
Mgr/Trust Cash.....	0	0	0
Accrued Interest.....	6,519	44,976	51,494
Due From Other Funds.....	0	0	0
Notes Receivable - Airport	0	0	0
Accounts Receivable.....	0	0	0
Sub-Total	6,519	44,976	51,494
Demand.....	(672,282)	68,659	(603,623)
Time Deposits.....	6,604,836	9,187,500	15,792,336
Investments.....	7,591,144 **	16,099,542	23,690,686
Market Value Adjustment.....	0	25,314	25,314
<b>Total Restricted Cash &amp; Investments</b>	<b>13,523,698</b>	<b>25,381,015</b>	<b>38,904,713</b>
<b>Total Restricted Assets</b>	<b>13,530,217</b>	<b>25,425,991</b>	<b>38,956,208</b>
Propert, Plant, & Equipment.....	152,360,039	257,236,308	409,596,347
(Less: Accumulated Depreciation).....	(84,936,906)	(99,187,495)	(184,124,400)
Net Property, Plant, & Equipment	67,423,134	158,048,813	225,471,947
Other Assets, net.....	30,815,049	8,428,174	39,243,222
<b>TOTAL ASSETS</b>	<b>\$ 120,186,178</b>	<b>\$ 197,170,291</b>	<b>317,356,469</b>

\* Includes Depreciation Funds, Capital Improvement Funds, & Bond Construction Funds

\*\* Includes a portion of the restricted customer deposits totalling \$2,806,275

**WATER & WASTEWATER FUND  
COMBINED BALANCE SHEET**

as of June 30, 2020

	<u>WATER FUND</u>	*	<u>WASTEWATER FUND</u>	*	<u>COMBINED</u>
<b>LIABILITIES &amp; FUND EQUITY</b>					
<u>Current Liabilities</u>					
Accounts Payable.....	\$ 54,530		\$ 35,580		\$ 90,110
Accrued Expense.....	701,735		481,624		1,183,359
Due to Other Funds.....	0		0		0
Other.....	0		100,000		100,000
Total Current Liabilities	756,265		617,203		1,373,469
<u>Liabilities Payable from Restricted Assets</u>					
Accounts Payable.....	21,075		14,429		35,504
Accrued Expense.....	204,245		385,882		590,127
Due to Other Funds.....	0		0		0
Interest Payable.....	424,209		574,477		998,685
Customer Deposits.....	2,806,275		0		2,806,275
Current Portion of Revenue Bonds.....	1,371,150		4,521,850		5,893,000
Total Liabilities Payable from Restricted Assets	4,826,953		5,496,637		10,323,591
<u>Other Non-Current Liabilities</u>					
Revenue Bonds.....	33,619,758		99,623,658		133,243,416
Arbitrage Payable.....	0		0		0
Deferred Revenues.....	230,747		1,509,302		1,740,049
Deferred inflows of resources.....	366,337		3,820,597		4,186,935
Noncurrent liabilities / net pension liability.....	2,474,558		1,449,115		3,923,673
<b>TOTAL LIABILITIES</b>	<b>42,274,618</b>		<b>112,516,514</b>		<b>154,791,132</b>
<b>FUND EQUITY</b>					
<u>Contributed Capital</u>					
Total Contributed Capital	0		0		0
<u>Retained Earnings</u>					
Reserve for Encumbrances.....	0		0		0
Reserve for Current Debt Service.....	0		1,491,347		1,491,347
Reserve for Capital Improvement.....	4,117,379		5,345,643		9,463,022
Reserve for Depreciation.....	6,741,302		13,454,267		20,195,569
Reserve for Water Rights Purchase.....	0		0		0
Unreserved.....	67,052,880		64,362,519		131,415,399
Total Retained Earnings	77,911,560		84,653,777		162,565,337
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 120,186,178</b>		<b>\$ 197,170,291</b>		<b>\$ 317,356,469</b>

\* Includes Depreciation Funds, Capital Improvement Funds, Debt Service & Bond Construction Funds

**WATER FUND  
COMBINED BALANCE SHEET**

as of June 30, 2020

ASSETS	Water Fund	RESTRICTED ASSETS				Debt Service	Combined
		Water Depr. Fund	Water Capital Impr. Fund	Water Revenue Bonds			
<u>Current Assets</u>							
Cash & Investments							
Demand.....	\$ 1,808,207	\$ 1,629	\$ 220	\$ (674,131)	\$ -	\$ -	\$ 1,135,925
Time Deposits.....	4,024,636	3,824,713	2,780,122	-	-	-	10,629,471
Investments & Securities.....	197,885	2,964,834	1,339,677	-	480,359	-	4,982,755
Market Value Adjustment.....	7,595	-	-	-	-	-	7,595
Mgr/Trust Cash.....	-	-	-	-	-	-	-
Receivables							
Accounts.....	2,097,945	-	-	-	-	-	2,097,945
Accrued Interest.....	17,950	4,314	2,206	-	-	-	24,469
Due From Other Funds.....	-	-	-	-	-	-	-
Water Line Assessments.....	-	-	-	-	-	-	-
Inventories, at cost.....	182,292	-	-	-	-	-	182,292
Prepaid expenses.....	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>8,336,510</b>	<b>6,795,490</b>	<b>4,122,224</b>	<b>(674,131)</b>	<b>480,359</b>		<b>19,060,452</b>
Notes Receivable	81,269	-	-	-	-	-	81,269
CD's restricted for customer deposits.....	-	-	-	-	-	-	-
Investments restricted for customer deposits.....	2,806,275	-	-	-	-	-	2,806,275
Property, Plant, & Equipment.....	152,360,039	-	-	-	-	-	152,360,039
(Less: Accum. Depreciation/Amortization).....	(84,936,906)	-	-	-	-	-	(84,936,906)
<b>Net Property, Plant, &amp; Equipment</b>	<b>67,423,134</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,423,134</b>
Other Assets, net.....	30,815,049	-	-	-	-	-	30,815,049
<b>TOTAL ASSETS</b>	<b>109,462,236</b>	<b>6,795,490</b>	<b>4,122,224</b>	<b>(674,131)</b>	<b>480,359</b>		<b>120,186,178</b>
<u>LIABILITIES &amp; FUND EQUITY</u>							
<u>Current Liabilities</u>							
Accounts Payable.....	54,530	-	-	-	-	-	54,530
Accrued Expense.....	701,735	-	-	-	-	-	701,735
Due To Other Funds.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>756,265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>756,265</b>
<u>Liabilities Payable from Restricted Assets</u>							
Current Portion of Revenue Bonds.....	1,371,150	-	-	-	-	-	1,371,150
Accounts Payable.....	-	16,229	4,846	-	-	-	21,075
Accrued Expense.....	-	37,959	-	166,286	-	-	204,245
Interest Payable.....	-	-	-	-	424,209	-	424,209
Due To Other Funds.....	-	-	-	-	-	-	-
Customer Deposits.....	2,806,275	-	-	-	-	-	2,806,275
<b>Total Liabilities Payable from Restricted Assets</b>	<b>4,177,425</b>	<b>54,188</b>	<b>4,846</b>	<b>166,286</b>	<b>424,209</b>		<b>4,826,953</b>
<u>Other Non-Current Liabilities</u>							
Revenue Bonds	33,619,758	-	-	-	-	-	33,619,758
Arbitrage Payable.....	-	-	-	-	-	-	-
Deferred Revenues.....	230,747	-	-	-	-	-	230,747
Deferred inflows of resources.....	366,337	-	-	-	-	-	366,337
Noncurrent liabilities / net pension liability.....	2,474,558	-	-	-	-	-	2,474,558
<b>TOTAL LIABILITIES</b>	<b>41,625,090</b>	<b>54,188</b>	<b>4,846</b>	<b>166,286</b>	<b>424,209</b>		<b>42,274,618</b>
<u>FUND EQUITY</u>							
<u>Retained Earnings</u>							
Reserve for Encumbrances.....	-	-	-	-	-	-	-
Reserve for Current Debt Service.....	-	-	-	-	-	-	-
Reserve for Capital Improvement.....	-	-	4,117,379	-	-	-	4,117,379
Reserve for Depreciation.....	-	6,741,302	-	-	-	-	6,741,302
Reserve for Water Rights.....	-	-	-	-	-	-	-
Unreserved.....	67,837,146	-	-	(840,417)	56,150	-	67,052,880
<b>Total Retained Earnings</b>	<b>67,837,146</b>	<b>6,741,302</b>	<b>4,117,379</b>	<b>(840,417)</b>	<b>56,150</b>		<b>77,911,560</b>
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$ 109,462,236</b>	<b>\$ 6,795,490</b>	<b>\$ 4,122,224</b>	<b>\$ (674,131)</b>	<b>\$ 480,359</b>		<b>\$ 120,186,178</b>



**WASTEWATER FUND  
COMBINED BALANCE SHEET**

as of June 30, 2020

ASSETS	RESTRICTED ASSETS					Combined
	Wastewater Fund	Depreciation Fund	Wastewater Capital Impr. Fund	Wastewater Revenue Bonds	Debt Service	
<b>Current Assets</b>						
Cash & Investments						
Demand.....	\$ 187,316	\$ (885)	\$ 9,515	\$ 59,784	\$ 246	\$ 255,975
Time Deposits.....	1,002,920	6,641,515	2,545,986	-	-	10,190,420
Investments & Securities.....	1,807,776	6,764,729	2,775,969	4,493,266	2,065,578	17,907,318
Market Value Adjustment.....	-	20,976	4,338	-	-	25,314
Mgr/Trust Cash.....	-	-	-	-	-	-
Receivables						
Accounts.....	2,170,354	-	-	-	-	2,170,354
Accrued Interest.....	137	37,583	7,393	-	-	45,113
Due From Other Funds.....	-	-	-	-	-	-
Wastewater Line Assessments.....	2,800	-	-	-	-	2,800
Miscellaneous.....	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Total Current Assets	5,171,304	13,463,917	5,343,200	4,553,050	2,065,824	30,597,295
Notes Receivables - Hunt	96,010	-	-	-	-	96,010
Property, Plant, & Equipment.....	257,236,308	-	-	-	-	257,236,308
(Less: Accumulated Depreciation).....	(99,187,495)	-	-	-	-	(99,187,495)
Net Property, Plant, & Equipment	158,048,813	-	-	-	-	158,048,813
Other Assets.....	8,428,174	-	-	-	-	8,428,174
<b>TOTAL ASSETS</b>	<b>171,744,300</b>	<b>13,463,917</b>	<b>5,343,200</b>	<b>4,553,050</b>	<b>2,065,824</b>	<b>197,170,291</b>
<b>LIABILITIES &amp; FUND EQUITY</b>						
<b>Current Liabilities</b>						
Accounts Payable.....	35,580	-	-	-	-	35,580
Accrued Expenses.....	481,624	-	-	-	-	481,624
Due to Other Funds.....	-	-	-	-	-	-
Other.....	100,000	-	-	-	-	100,000
Total Current Liabilities	617,203	-	-	-	-	617,203
<b>Liabilities Payable from Restricted Assets</b>						
Accounts Payable.....	-	9,650	(4,335)	9,114	-	14,429
Accrued Expenses.....	-	-	1,892	383,990	-	385,882
Due to Other Funds.....	-	-	-	-	-	-
Interest Payable.....	-	-	-	-	574,477	574,477
Current Portions of all Revenue Bonds....	4,521,850	-	-	-	-	4,521,850
Total Liabilities Payable from Restricted Assets	4,521,850	9,650	(2,443)	393,104	574,477	5,496,637
<b>Other Non-Current Liabilities</b>						
Deferred Revenue.....	1,509,302	-	-	-	-	1,509,302
Revenue Bonds.....	99,623,658	-	-	-	-	99,623,658
Deferred inflows of resources.....	3,820,597	-	-	-	-	3,820,597
Noncurrent liabilities/Net Pension Liability - TMRS.....	1,449,115	-	-	-	-	1,449,115
Arbitrage Payable	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>111,541,727</b>	<b>9,650</b>	<b>(2,443)</b>	<b>393,104</b>	<b>574,477</b>	<b>112,516,514</b>
<b>FUND EQUITY</b>						
<b>Retained Earnings</b>						
Reserve for Encumbrances.....	-	-	-	-	-	-
Reserve for Debt Service.....	-	-	-	-	1,491,347	1,491,347
Reserve for Depreciation.....	-	13,454,267	-	-	-	13,454,267
Reserve for Capital Improvement.....	-	-	5,345,643	-	-	5,345,643
Unreserved.....	60,202,573	-	-	4,159,946	-	64,362,519
Total Retained Earnings	60,202,573	13,454,267	5,345,643	4,159,946	1,491,347	84,653,777
	<b>\$ 171,744,300</b>	<b>\$ 13,463,917</b>	<b>\$ 5,343,200</b>	<b>\$ 4,553,050</b>	<b>\$ 2,065,824</b>	<b>\$ 197,170,291</b>

**McALLEN PUBLIC UTILITY**  
**RECONCILED BANK BALANCES**  
As of June 30, 2020

	POOL	TIME		CDARS		GROSS		TEX POOL-PRIME	APR/ROI	BLENDED	BLENDED YIELD ON INVESTMENTS ONLY	TOTAL INVESTMENTS
		APR/ROI	DEPOSITS	APR/ROI	HOLDINGS	APR/ROI	INVESTMENTS					
<b>WATER FUND</b>												
M & O	1,805,907	0.00%	4,026,741	1.35%		2,498,613	1.64%	505,548	0.52%			
% of Total	20.44%		45.57%		0.00%	28.28%		5.72%			1.46%	6,525,353
% of Investment Holdings			61.71%		0.00%	38.29%		0.00%				
WATER BOND RESERVE	0	0.00%	0	0.00%		0	0.00%	385,206	0.52%		0.00%	0
% of Total	0.00%		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
DEPRECIATION	1,629	0.00%	3,310,820	1.84%	514,207	2,62%	1,500,000	1.00%	1,464,834	0.52%	1.43%	5,325,027
% of Total	0.02%		48.75%		7.57%	22.09%		21.57%			1.80%	
% of Investment Holdings			62.17%		11.73%	35.09%		0.00%				
DEBT SERVICE	-	0.00%	-	0.00%		0	0.00%	253,861	0.52%		0.00%	0
% of Total	0.00%		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
WATER DEBT SERVICE TWDB	-	0.00%	-	0.00%		0	0.00%	226,498	0.52%		0.00%	0
% of Total	0.00%		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
CAPITAL IMPROVEMENT	220	0.00%	2,780,328	1.52%		750,000	1.00%	589,677	0.52%		1.41%	3,530,328
% of Total	0.01%		67.48%		0.00%	18.20%		14.31%				
% of Investment Holdings			78.76%			21.24%		0.00%				
BOND CONSTRUCTION	(674,131)	0.00%	-	0.00%		0	0.00%	0	0.00%		0.00%	0
% of Total	100.00%		0.00%		0.00%	0.00%		0.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
<b>TOTAL WATER</b>	<b>1,133,625</b>	<b>0.00%</b>	<b>10,117,888</b>	<b>1.56%</b>	<b>514,207</b>	<b>2,62%</b>	<b>4,748,613</b>	<b>1.34%</b>	<b>3,425,623</b>	<b>0.52%</b>	<b>1.20%</b>	<b>15,380,708</b>
% of Total	5.69%		50.74%		2.58%		23.81%		17.18%			
% of Investment Holdings			65.78%		3.34%		30.87%					
<b>SEWER FUND</b>												
M & O	187,316	0.00%	1,003,057	1.02%		0	0.00%	1,807,776	0.52%		1.02%	1,003,057
% of Total	6.25%		33.46%		0.00%	0.00%		60.30%				
% of Investment Holdings			100.00%		0.00%	0.00%		0.00%				
BOND RESERVE-TWDB 2009	-	0.00%	-	0.00%		0	0.00%	2,835,684	0.52%		0.00%	0
% of Total	0		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
DEPRECIATION	(885)	0.00%	6,127,830	1.93%	514,207	2,62%	4,751,139	2.02%	2,013,590	0.52%	1.78%	11,393,177
% of Total	-0.01%		45.71%		3.84%	35.44%		15.02%			2.00%	
% of Investment Holdings			53.79%		4.51%	41.70%		0.00%				
DEBT SERVICE	-	0.00%	-	0.00%		0	0.00%	273,770	0.52%		0.00%	0
% of Total	0.00%		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
SEWER DEBT TWDB- 2009-2010	246	0.00%	-	0.00%		0	0.00%	613,475	0.52%		0.00%	0
% of Total	0.04%		0.00%		0.00%	0.00%		99.96%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
SEWER BOND CONST TWDB - F492	(1,239,563)	0.00%	-	0.00%		0	0.00%	0	0.00%		0.00%	0
* Series 2012	100.00%		0.00%		0.00%	0.00%		0.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
TWDB CONSTR FUND SERIES 2015	59,255	0.00%	-	0.00%		0	0.00%	0	0.00%		0.00%	0
*FUND 494	100.00%		0.00%		0.00%	0.00%		0.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
SEWER TWDB Debt - 2012	-	0.00%	-	0.00%		0	0.00%	1,178,333	0.52%		0.00%	0
% of Total	0.00%		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
CAPITAL IMPROVEMENT	9,515	0.00%	2,546,183	1.79%		1,002,936	2.23%	1,773,033	0.52%		1.91%	3,549,119
% of Total	0.18%		47.76%		0.00%	18.81%		33.25%				
% of Investment Holdings			71.74%			28.26%		0.00%				
BOND CONSTRUCTION	1,240,092	0.00%	-	0.00%		0	0.00%	1,010,938	0.52%		0.00%	0
% of Total	55.09%		0.00%		0.00%	0.00%		44.91%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
BOND CONSTRUCTION-TWDB	-	0.00%	-	0.00%		0	0.00%	3,482,329	0.52%		0.00%	0
% of Total	0		0.00%		0.00%	0.00%		100.00%				
% of Investment Holdings			0.00%		0.00%	0.00%		0.00%				
<b>TOTAL SEWER</b>	<b>255,975</b>	<b>0.00%</b>	<b>9,677,070</b>	<b>1.69%</b>	<b>514,207</b>	<b>2,62%</b>	<b>5,754,075</b>	<b>2.06%</b>	<b>14,988,927</b>	<b>0.52%</b>	<b>1.16%</b>	<b>15,945,352</b>
% of Total	0.82%		31.03%		1.65%		18.45%		48.06%		1.85%	
% of Investment Holdings			60.69%		3.22%		36.09%		94.00%			
<b>TOTAL PUB</b>	<b>1,389,600</b>	<b>0.00%</b>	<b>19,794,958</b>	<b>1.62%</b>	<b>1,028,414</b>	<b>2,62%</b>	<b>10,502,688</b>	<b>1.73%</b>	<b>18,414,550</b>	<b>0.52%</b>	<b>1.17%</b>	<b>31,326,060</b>
% of Total	2.72%		38.71%		2.01%		20.54%		36.02%		1.69%	
% of Investment Holdings			63.19%		3.28%		33.53%		58.78%			