

**MINUTES OF THE  
KERRVILLE PUBLIC UTILITY BOARD  
REGULAR MONTHLY MEETING  
WEDNESDAY, JULY 21, 2021, AT 8:30 A.M.  
KPUB CONFERENCE ROOM  
KERRVILLE PUBLIC UTILITY BOARD OFFICES  
2250 MEMORIAL BLVD.  
KERRVILLE, TEXAS**

**TRUSTEES PRESENT:**

Philip Stacy  
Mark Cowden  
Larry Howard  
Bill Thomas  
Mayor Bill Blackburn

**STAFF PRESENT:**

Mike Wittler, General Manager and CEO  
Amy Dozier, Director of Finance  
Paul Martinez, Director of Engineering  
Tammye Riley, Director of Human Resources & Safety  
Allison Bueché, Director of Customer and Community Relations  
Howard Hall, Field Services Supervisor  
Damon Richardson, Purchasing Agent  
Riley Foster, Intern  
Lidia Goldthorn, Assistant Secretary to the Board

**TRUSTEES ABSENT:**

**OTHERS PRESENT:**

Stephen Schulte, Legal Counsel  
John Davidson, Special Counsel (*Via teleconference*)  
Gaines Griffin, Special Counsel (*Via teleconference*)  
Debra Payne, St. Vincent DePaul  
Mike Henke, St. Vincent DePaul  
Paul Hybner

**1. CALL TO ORDER:**

Mr. Philip Stacy, Chairman, called the Regular Monthly Meeting to order at 8.31 a.m.

**2. PLEDGE OF ALLEGIANCE:**

**3. APPROVAL OF MINUTES:**

The Trustees reviewed the minutes of the June 16, 2021, Regular Monthly Board Meeting. Mark Cowden, Vice Chairman, motioned to approve the minutes. Larry Howard, Secretary, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

**4. CITIZEN/CONSUMER OPEN FORUM:**

There were no citizens/consumers to speak.

**5. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Mr. Wittler advised the next regular board meeting will be scheduled for August 18, 2021 at 8:30 a.m., with a Special Called Budget Workshop immediately after.

Ms. Bueché continued with announcements, advising that staff will be volunteering at the Light on the Hill food Pantry on Monday; KPUB is hosting a KISD school supply drive; another Community Blood Drive is scheduled for September 9<sup>th</sup>. Ms. Bueché advised upcoming events include the Charity Ball on July 31<sup>st</sup>; Habitat for Humanity Golf Tournament on September 27<sup>th</sup>; the Salvation Army Circle of Service Gala on September 23<sup>rd</sup>, and the Stock Show on September 25<sup>th</sup>. Mr. Wittler added that Lou Graves in the Engineering Department retired in June after 26 years of service with KPUB.

**6. MOTION AND VOTE TO RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION:**

**I. EXECUTIVE CLOSED SESSION – CONSULTATION WITH ATTORNEY:**

In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, the Kerrville Public Utility Board will recess for the purpose of “Consultation With Attorney” regarding the following matter:

- A. Consultation with Attorney Regarding Pending or Contemplated Litigation – Mike Wittler, CEO

**II. EXECUTIVE CLOSED SESSION – COMPETITIVE MATTERS:**

In accordance with Texas Statutes Subchapter D, chapter 551, Government Code Section §551.086, the Kerrville Public Utility Board will recess to discuss and take any necessary action on the following “Competitive Matters”:

- A. Bidding and pricing information for purchased power, general and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies; Risk management information, contracts, and strategies, including fuel hedging and storage;
  - (1) Discussion on Hedging Activities and Risk Management Policy – Mike Wittler, CEO

Chairman Stacy asked the Board of Trustees if he had a motion that the Board convene in Executive Closed Session to discuss “Consultation With Attorney” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, and “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551. Mr. Howard so moved. Mr. Cowden seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 8:37 a.m. Chairman Stacy adjourned the Executive Closed Session and reconvened into Open Session at 9:15 a.m.

7. **CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE SESSION:**

No action taken by the Board.

8. **CONSIDERATION AND ACTION ON ANNUAL FUNDING REQUEST FROM THE KERRVILLE ECONOMIC DEVELOPMENT CORPORATION (KEDC) – GIL SALINAS, COO:**

Mr. Wittler advised that Mr. Salinas requested this item be tabled until next month.

*\*Mr. Wittler suggested to proceed to item number 13 on the Agenda to allow St. Vincent de Paul personnel to address the Board and not have to sit through other agenda items. The Board agreed and Chairman Stacy proceeded to item number 13.*

13. **STATUS UPDATE ON CHANGE FOR CHARITY PROGRAM AND DISCUSSION WITH POSSIBLE ACTION ON RESOLUTION 21-14 – ALLISON BUECHÉ, DIRECTOR OF CUSTOMER & COMMUNITY RELATIONS, AND MIKE WITTLER, CEO:**

Ms. Bueché gave the Board an update on the KPUB Change for Charity program fund, which is continuing to do well. She advised that there were 27 customers opt out since the last report, bringing a total of 779 residential customers who have opted out of the program as of July 15<sup>th</sup>. Ms. Bueché added that for the month of June, KPUB granted almost \$10,005.08 in program funds to 80 households. Since the program's inception in July of 2020, a total of \$151,326.59 has been granted in bill payment assistance through the Change for Charity fund to families in the community. Ms. Bueché recommended continuance of the Change for Charity roundup program in place beyond the COVID pandemic. The primary purpose of the program would be to provide electric utility bill payment assistance to KPUB customers and any excess funds could be used for other utility, food or disaster relief, but only with prior Board approval. She added that St. Vincent de Paul is interested in continuing to administer the program for KPUB at no charge. Ms. Bueché provided St. Vincent de Paul's financial statements. Their presence in the board meeting allowed for discussion and answers to the Board's questions. Ms. Bueché also provided statistical information on the number of customers and occurrences of assistance. Mr. Wittler also added historical documentation on the inception and purpose of the program, along with a Resolution to continue the program with minor revisions to assist KPUB customers.

After discussion by the Board, Mayor Bill Blackburn motioned for approval of Resolution No. 21-14. Mr. Howard, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

*\*At this time, Chairman Stacy elected to proceed to item number 9 on the Agenda. The Board agreed and Chairman Stacy proceeded to item number 9.*

9. **CONSIDERATION AND ACTION ON RESOLUTION NO. 21-20 – AMY DOZIER, DIRECTOR OF FINANCE:**

Ms. Dozier presented last month's wire transfers for operating expenses to the Board. She highlighted the newest power cost billing for Concho Bluff, advising the total amount is for three month's billing. Mr. Cowden motioned for approval of Resolution No. 21-20. Mr. Howard, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

**10. FINANCIAL REPORT – AMY DOZIER, DIRECTOR OF FINANCE:**

Ms. Dozier presented the Financial Statements (unaudited) for the Fiscal Year 2021 through June 30, 2021. Ms. Dozier reviewed the Statements and Balance Sheets for the month. She stated at June 30, 2021, operating expenses, excluding power cost, were below budget by \$731,656 or by 7.9%. The balance in the over-collected power cost was \$5,930,139. Ms. Dozier added that the balance in this account had fallen in 7 of the last 9 months. Accordingly, the Power Cost Adjustment (PCA) was changed from \$85.00 to \$95.00 in July 2021, and is expected to remain stable at \$95.00 for the foreseeable future. Ms. Dozier noted the balance in the Rate Stabilization Fund was \$1,897,607. She added that the Debt Service Coverage was 5.01 for the month and 10.00 for the Fiscal Year. Also included this month, were the quarterly vendor payment reports.

**11. APPROVAL AND REPORTING OF PURCHASES AND SALES:**

- A. Quote No. 2917 – URD Transformers, Pad Mount, Underground Residential Distribution (Damon Richardson, Purchasing Agent)

Mr. Richardson recommended the approval of a purchase order to Wesco for \$150,947.38 for the purchase of transformers. Irby will be awarded line item #1 from this quote for \$11,123.70. He advised that requests for quotations went out to five vendors, with five responding representing three different manufacturers. GE's quote was so high the vendor did not turn it in, and Cooper advised they are not taking new orders at this time. The award was based on price, delivery and efficiency evaluation. Mr. Richardson provided supporting documents for the Board's review. He added that these transformers are some of what will be needed for projected developments in Center Point, Comanche Trace and the Olympic Drive area. He also stated that these will need to be ordered this far in advance due to current lead times.

- B. CRC Purchase Order (Howard Hall, Field Services Supervisor)

Mr. Hall recommended approval of a purchase order to Cooperative Response Center, Inc. (CRC) for \$70,000.00. This amount should allow for after-hours call handling and line crew dispatching through September, 2022. Mr. Hall advised that KPUB has been receiving quality service since the Fall of 2018 for staff and customers for after-hours call handling. CRC was founded in 1992 and in Texas alone, is used by twenty-nine electric cooperatives and one municipality. He added that CRC was selected because they are utility dispatch only and are able to work live with the NISC software including CIS, OMS, and AMI. Mr. Hall provided current fiscal year's billing to date and a service level update email for the Board's review.

- C. Fleet Sales (Howard Hall, Field Services Supervisor)

Mr. Hall advised two vehicles were auctioned and sold through JJ Kane Auctioneers. Unit 3228, a 2012 Ford F-150 ½ Ton Pickup for \$6,750.00 and Unit 3226, a 2010 Ford F-150 ½ Ton Extended Cab 4X4 for \$10,000.00. These amounts reflect the price received before commission. The total net was \$15,912.50 after commission. Mr. Hall provided the Seller Totals Report from the auction for the Board's review.

Mr. Howard motioned for approval purchases and sales. Bill Thomas, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

**12. ENGINEERING AND OPERATIONS PROJECTS, CAPITAL BUDGET AND RELIABILITY REPORTS – PAUL MARTINEZ, DIRECTOR OF ENGINEERING:**

Mr. Martinez presented a spreadsheet summarizing spending for the Capital Budget through the third quarter of fiscal year end 2021. He highlighted customer extensions; padmount refurbish and replacements; and pole inspection replacements.

Mr. Martinez advised the Board that after reviewing the most recent Service Quality Report, he and Mr. Wittler discussed adjusting the report to make it more easily comprehensible. There will be a new format to present next quarter that will be easier to review and discuss.

**14. REVIEW AND DISCUSSION ON STRATEGIC PLAN – MIKE WITTLER, CEO:**

Mr. Wittler advised since the last board meeting, staff has had two meetings to review and update the Strategic Plan. He went over a Strengths, Weaknesses, Opportunities and Threats analysis from the staff meetings, with focus on what has changed in the past 1 - 3 years. Board Members discussed the analysis with a few suggestions for staff to include in the plan.

**15. ADJOURNMENT**

Chairman Stacy adjourned the Regular Board Meeting at 10:39 a.m.

**Date Approved:** \_\_\_\_\_

\_\_\_\_\_  
Philip Stacy, Chairman

**ATTEST**

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Lidia S. Goldthorn, Assistant Secretary to the Board

## MEMORANDUM

To: Philip Stacy  
Mark Cowden  
Larry Howard  
Bill Thomas  
Mayor Bill Blackburn

From: Mike Wittler

Date: August 20, 2021

Re: Agenda Item 9. – Request from the Rotary Club for Shade Tree Grant

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Attached is a request from the Rotary Club for a \$2,500 shade tree grant to support a tree planting effort at the trailhead at Schreiner University. A bench and plaque will be installed at the location and KPUB will be recognized for supporting the installation on that plaque.

We have funding budgeted and available for shade tree grants and have not funded any this year.

I am recommending that the Board approve this request.

Please let me know if you have any questions or concerns.

Sincerely,



Mike Wittler, P.E.



DATE: July 23, 2021

TO: KPUB Board of Directors

FROM: The Rotary Club of Kerrville

RE: Request \$2,500 for creation of Memorial Grove along River Trail on the campus of Schreiner University

The Rotary Club of Kerrville is part of Rotary International, a global network of 35,000 Rotary Clubs and over 1.2 million members throughout the world. Our club recently celebrated our 94th anniversary as a local social service organization with our motto of "Service Above Self."

In keeping with the Rotary International environmental initiative to plant trees in our respective communities, our club has begun the process of creating a "Rotary Grove" on the campus of Schreiner University at the Trailhead of the River Trail. We have met with officials from both the City of Kerrville and Schreiner University and have agreed upon the location, the types of trees and a memorial bench. The bench will be ordered through the City of Kerrville to maintain the quality, look and image the city has defined for the entire River Trail.

This project will provide for trees to be planted in memory of Rotarians that have passed away. At this time, we will be planting 12 trees at the Trailhead (see photo) and in other locations on campus.

Through our Rotary Grove project, we will be able to help Schreiner University in providing shade and landscaping in areas of campus that need it. It will also help beautify the newly-constructed Trailhead to the River Trail. Once completed, the Rotary Club of Kerrville will continue to plant trees annually as needed.

We also have plans in place with Schreiner University facilities teams and our 160 members to assure the trees will be properly watered.

We have currently budgeted \$5,000, which we have set aside for the project. The total cost of the project is estimated at \$8,380. The breakdown of the estimated expenses is as follows:

- Memorial Bench, poured cement slab, engraving = \$2,500 through the City of Kerrville to match all benches on River Trail.
- Trees are 4", 95 gallon (Cedar Elm, Lacy Oak or Chinquapin Oak) trees for cost of \$450 each from Mostly Brothers Nursery in Center Point = \$5,400
- There will be a cost for having the trees planted. Our estimation is \$40 per hour = \$480

I have attached a photo of the location for reference. You will see the need for trees at the location and areas surrounding it.

Thank you so much for the opportunity.

Sincerely,

Tammy Prout  
Rotary Club of Kerrville  
President 2020-21







MEMORANDUM

TO: Philip Stacy  
Mark Cowden  
Larry Howard  
Bill Thomas  
Mayor Bill Blackburn

FROM: Amy Dozier

DATE: August 18, 2021

SUBJECT: Agenda Item No. 10 - Resolution No. 21-21

Wire transfers presented for your review:

I. WIRE TRANSFERS - Operating Expense

LCRA - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 29, 2021 Transfer from TexPool Investment Fund to LCRA.	\$ 570,024.11
CPS ENERGY - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 19, 2021 Transfer from TexPool Investment Fund to CPS ENERGY.	\$ 1,341,623.35
NEXTERA - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 15, 2021 Transfer from TexPool Investment Fund to NEXTERA.	\$ 469,440.00
DG TEXAS SOLAR, LLC - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 19, 2021 Transfer from TexPool Investment Fund to DG TEXAS SOLAR, LLC.	\$ 57,522.48
CONCHO BLUFF - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 26, 2021 Transfer from TexPool Investment Fund to CONCHO BLUFF.	\$ 273,285.06
ENGIE LONG DRAW SOLAR - Power Cost Billing 06/01/2021 to 06/30/2021. Paid July 23, 2021 Transfer from TexPool Investment Fund to ENGIE LONG DRAW SOLAR.	\$ 110,109.15
CITY OF GARLAND - Power Cost Billing 06/01/2021 to 06/30/2021. Received July 30, 2021 CITY OF GARLAND to Happy State Bank.	\$ (1,129,081.95)

II. WIRE TRANSFERS – Investments

A.	Transfer from Happy State Bank operating account to TexPool Investment Fund:	
	July 2, 2021	\$ 300,000.00
	July 7, 2021	\$ 300,000.00
	July 12, 2021	\$ 400,000.00
B.	Transfer to Happy State Bank Investment Fund:	
	July 26, 2021 (from TexPool)	\$ 13,000,000.00
	July 26, 2021 (from Happy Operating)	\$ 1,000,000.00
	July 30, 2021 (from Logic)	\$ 4,762,762.78
	July 30, 2021 (from Happy Operating)	\$ 1,637,237.22

III. WIRE TRANSFERS - Payroll

	Automated Clearing House for Pay Periods Ending:	
	July 9, 2021	\$ 108,326.73
	July 23, 2021	\$ 112,179.69

IV. WIRE TRANSFERS - Payroll - Federal Reserve Bank

	Federal Withholding and FICA for Period Ending:	
	July 9, 2021	\$ 39,375.39
	July 23, 2021	\$ 39,524.62

V. WIRE TRANSFER - TMRS and TML

	Texas Municipal Retirement System (TMRS)	
	Retirement Plan Contribution	
	for the month of June – Paid July 13, 2021	\$ 68,835.97
	Texas Municipal League (TML)	
	Monthly Premium - Medical, Dental, Vision and Life	
	for the month of July – Paid July 21, 2021	\$ 53,735.22
	for the month of August – Paid July 30, 2021	\$ 52,721.58

If you have any questions on the items presented for payment, I will be happy to answer them at your convenience.

Sincerely,



Amy Dozier  
Director of Finance

**RESOLUTION NO. 21-21**

**A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD CONFIRMING AND AUTHORIZING THE PAYMENTS OF INVOICES AS APPROVED AND PRESENTED BY THE CHIEF FINANCIAL OFFICER AND GENERAL MANAGER / CEO.**

**WHEREAS**, the providers of services or material have submitted invoices for payment;  
and

**WHEREAS**, the Chief Financial Officer or General Manager/CEO has reviewed the invoices and approved payments for services rendered or material received.

**WHEREAS**, the items marked "Paid" have been previously approved by the Board and are included in this Resolution for information; now, therefore,

**BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:**

**Section 1.** That the Kerrville Public Utility Board review payment of the items set forth on the preceding Schedule.

**Section 2.** That the Kerrville Public Utility Board instructs the General Manager/CEO or his designee to make said payments and ratifies the payment of the items marked "Paid."

**Section 3.** This Resolution shall take effect immediately from and after its passage.

**PASSED, APPROVED AND ADOPTED on this 25<sup>th</sup> day of August, 2021**

\_\_\_\_\_  
**Philip Stacy, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Larry Howard, Secretary**

## MEMORANDUM

To: Philip Stacy  
Mark Cowden  
Larry Howard  
Bill Thomas  
Mayor Bill Blackburn

From: Amy Dozier

Date: August 18, 2021

Re: Agenda Item No. 11 — Financial Report

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KPUB recorded net income of \$713,123 for the month of July 2021. Both revenues and expenses were lower than budget resulting in a net income that is \$181,777 better than budgeted net income of \$531,346. Purchased power expense was reduced in July due to a net credit for renewable energy power purchase agreements and payments for renewable energy credit (REC) sales related to the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2020.

On a year-to-date (October 1, 2020 to July 31, 2021) basis, KPUB recorded net income of \$1,824,182, which is \$505,427 more than budgeted net income of \$1,318,754. Better than budget income is driven by lower than anticipated purchased power costs and other operating expenses that continue lower than budget due primarily to staffing vacancies.

After changing the Power Cost Adjustment (PCA) from \$85.00 to \$95.00 in July, the over collected power cost balance at July 31, 2021 rose to \$7,182,506. Per previous discussions, in September, the Board will consider a resolution to transfer the entire over collection balance to the Rate Stabilization Fund. If approved, this transfer will be added to the existing balance (\$1,897,607) in the Rate Stabilization Fund. The PCA is expected to remain stable at \$95.00 for the foreseeable future.

Debt service coverage continues to well exceed recommended minimums. The debt service coverage factor for July is 22.93. The coverage factor for the fiscal year is 10.89.

Sincerely,



Amy Dozier  
Director of Finance

Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Retained Earnings  
For the Month Ended July 31, 2021  
(UNAUDITED)



	Comparison to Budget				Comparison to Last Year		
	Current Month	Current Month Budget Amount	Increase (Decrease)	Percentage Increase (Decrease)	Current Month Last Year Amount	Increase (Decrease)	Percentage Increase (Decrease)
<b>OPERATING REVENUES:</b>							
Residential	\$ 1,973,875	\$ 2,295,755	\$ (321,880)	-14.02%	\$ 2,955,489	\$ (981,614)	-33.21%
Commercial/Industrial	1,547,142	1,843,007	(295,865)	-16.05%	2,019,730	(472,588)	-23.40%
Sales to Public Authorities	21,362	23,200	(1,838)	-7.92%	23,040	(1,678)	-7.28%
Other	54,832	44,300	10,532	23.77%	15,962	38,870	243.51%
<b>TOTAL OPERATING REVENUES</b>	<b>3,597,211</b>	<b>4,206,262</b>	<b>(609,052)</b>	<b>-14.48%</b>	<b>5,014,221</b>	<b>(1,417,010)</b>	<b>-28.26%</b>
<b>OPERATING EXPENSES:</b>							
Purchased Power	1,808,719	2,651,196	(842,477)	-31.78%	2,588,308	(779,589)	-30.12%
Distribution	278,269	297,131	(18,862)	-6.35%	279,695	(1,426)	-0.51%
Customer Accounting	50,561	56,900	(6,339)	-11.14%	46,188	4,373	9.47%
Customer Service & Informational	27,135	28,800	(1,665)	-5.78%	15,641	11,494	73.49%
Administrative Expenses	423,786	360,400	63,386	17.59%	303,758	120,029	39.51%
Franchise Fees - Ingram	3,208	3,100	108	3.47%	2,709	498	18.39%
Depreciation	301,427	298,500	2,927	0.98%	282,932	18,495	6.54%
Other	(1,709)	(2,000)	291	-14.54%	(627)	(1,082)	172.47%
<b>TOTAL OPERATING EXPENSES</b>	<b>2,891,395</b>	<b>3,694,027</b>	<b>(802,632)</b>	<b>-21.73%</b>	<b>3,518,604</b>	<b>(627,208)</b>	<b>-17.83%</b>
<b>OPERATING INCOME</b>	<b>705,815</b>	<b>512,235</b>	<b>193,580</b>	<b>37.79%</b>	<b>1,495,617</b>	<b>(789,802)</b>	<b>-52.81%</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Revenue Fund, Constr, Emerg	4,245	7,517	(3,272)	-43.53%	10,618	(6,373)	-60.02%
Interest & Sinking Fund	6	88	(82)	-93.38%	43	(37)	-86.54%
Interest Income - City of Kerrville	15,000	14,167	833	5.88%	15,000	-	0.00%
Interest Expense - Debt	(10,460)	(10,460)	-	0.00%	(11,216)	755	-6.73%
Interest Expense - Customer Deposits	(248)	-	(248)	-	-	(248)	-
AFUDC - Borrowed Funds	-	3,100	(3,100)	-100.00%	4,993	(4,993)	-100.00%
Other - net	(1,235)	4,700	(5,935)	-126.27%	(8,856)	7,621	-86.06%
<b>TOTAL NONOPERATING REVENUES (EXPENSES):</b>	<b>7,308</b>	<b>19,111</b>	<b>(11,803)</b>	<b>-61.76%</b>	<b>10,583</b>	<b>(3,275)</b>	<b>-30.95%</b>
<b>NET INCOME</b>	<b>713,123</b>	<b>531,346</b>	<b>181,777</b>	<b>34.21%</b>	<b>1,506,200</b>	<b>(793,077)</b>	<b>-52.65%</b>
<b>RETAINED EARNINGS AT BEGINNING OF MONTH</b>							
	\$ 70,239,608				\$ 68,811,631		
Plus: Contributions in Aid of Constr	22,695	9,000	13,695	152.17%	27,263	(4,568)	-16.75%
Less: General Fund Transfer - Reg	146,618	126,400	20,218	16.00%	155,084	(8,466)	-5.46%
<b>RETAINED EARNINGS AT END OF MONTH</b>	<b>\$ 70,828,809</b>				<b>\$ 70,190,010</b>		
<b>Percent of Net Income to Operating Revenue</b>	<b>19.82%</b>				<b>30.04%</b>		



Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Retained Earnings  
For the Month Ended July 31, 2021  
(UNAUDITED)

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Increase (Decrease)	Percentage Increase (Decrease)	Year to Date Last Year Amount	Increase (Decrease)	Percentage Increase (Decrease)
<b>OPERATING REVENUES:</b>							
Residential	\$ 16,203,375	\$ 19,311,541	\$ (3,108,166)	-16.09%	\$ 20,148,101	\$ (3,944,727)	-19.58%
Commercial/Industrial	11,931,405	15,118,886	(3,187,480)	-21.08%	14,504,144	(2,572,739)	-17.74%
Sales to Public Authorities	210,114	232,000	(21,886)	-9.43%	231,808	(21,694)	-9.36%
Other	653,008	538,850	114,158	21.19%	224,504	428,505	190.87%
<b>TOTAL OPERATING REVENUES</b>	<b>28,997,903</b>	<b>35,201,276</b>	<b>(6,203,374)</b>	<b>-17.62%</b>	<b>35,108,557</b>	<b>(6,110,654)</b>	<b>-17.41%</b>
<b>OPERATING EXPENSES:</b>							
Purchased Power	17,654,037	23,792,842	(6,138,805)	-25.80%	22,991,659	(5,337,622)	-23.22%
Distribution	2,472,976	2,925,334	(452,358)	-15.46%	2,590,439	(117,463)	-4.53%
Customer Accounting	472,927	560,000	(87,073)	-15.55%	526,586	(53,658)	-10.19%
Customer Service & Informational	234,778	282,700	(47,922)	-16.95%	173,628	61,150	35.22%
Administrative Expenses	3,458,074	3,543,700	(85,626)	-2.42%	3,171,197	286,878	9.05%
Franchise Fees - Ingram	25,086	25,800	(714)	-2.77%	23,896	1,190	4.98%
Depreciation	2,937,684	2,962,500	(24,816)	-0.84%	2,867,485	70,198	2.45%
Other	(13,302)	(20,000)	6,698	-33.49%	(14,212)	910	-6.40%
<b>TOTAL OPERATING EXPENSES</b>	<b>27,242,261</b>	<b>34,072,876</b>	<b>(6,830,615)</b>	<b>-20.05%</b>	<b>32,330,678</b>	<b>(5,088,417)</b>	<b>-15.74%</b>
<b>OPERATING INCOME</b>	<b>1,755,642</b>	<b>1,128,400</b>	<b>627,241</b>	<b>55.59%</b>	<b>2,777,879</b>	<b>(1,022,238)</b>	<b>-36.80%</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Revenue Fund	60,627	75,170	(14,543)	-19.35%	262,457	(201,830)	-76.90%
Interest & Sinking Fund	70	876	(805)	-92.00%	1,762	(1,692)	-96.02%
Interest Income - City of Kerrville	160,000	141,667	18,333	12.94%	150,000	10,000	6.67%
Interest Expense - Debt	(105,359)	(105,358)	(0)	0.00%	(112,799)	7,441	-6.60%
Interest Expense - Customer Deposits	(4,621)	-	(4,621)	-	-	(4,621)	-
AFUDC - Borrowed Funds	-	31,000	(31,000)	-100.00%	32,654	(32,654)	-100.00%
Other - net	(42,178)	47,000	(89,178)	-189.74%	(5,513)	(36,664)	665.02%
<b>TOTAL NONOPERATING REVENUES (EXPENSES):</b>	<b>68,540</b>	<b>190,354</b>	<b>(121,814)</b>	<b>-63.99%</b>	<b>328,561</b>	<b>(260,021)</b>	<b>-79.14%</b>
<b>NET INCOME</b>	<b>\$ 1,824,182</b>	<b>\$ 1,318,754</b>	<b>\$ 505,427</b>	<b>38.33%</b>	<b>\$ 3,106,440</b>	<b>\$ (1,282,258)</b>	<b>-41.28%</b>
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>							
	\$ 69,843,094				\$ 67,949,782		
Plus: Contributions in Aid of Constr	188,879	90,000	98,879	109.87%	233,247	(44,367)	-19.02%
Less: General Fund Transfer	1,027,347	1,057,500	(30,153)	-2.85%	1,099,459	(72,112)	-6.56%
<b>RETAINED EARNINGS AT END OF MONTH</b>	<b>\$ 70,828,809</b>				<b>\$ 70,190,010</b>		
<b>Percent of Net Income to Operating Revenue</b>	<b>6.29%</b>				<b>8.85%</b>		





Kerrville Public Utility Board  
Balance Sheet  
As of July 31, 2021

Assets	July 31, 2021 (Unaudited)	Sept 30, 2020	Liabilities and Equity	July 31, 2021 (Unaudited)	Sept 30, 2020
<b>Utility Plant:</b>			<b>Equity:</b>		
Electric Plant in Service	\$ 88,539,361	\$ 84,757,081	Retained Earnings - Unreserved	\$ 70,828,809	\$ 69,843,094
Less: Accumulated Depreciation	(43,810,208)	(41,511,651)			
	44,729,153	43,245,430	Total Equity	70,828,809	69,843,094
Construction Work in Progress	3,505,471	4,386,814			
Net Utility Plant	48,234,624	47,632,243			
<b>Restricted Assets:</b>			<b>Liabilities:</b>		
<b>Cash and Cash Equivalents:</b>			<b>Long-Term Debt:</b>		
Customer Deposits	490,586	523,276	2013 Revenue Bonds		
Total Cash and Cash Equivalents	490,586	523,276	Net of Current Portion	3,269,000	3,680,000
			Plus: Unamortized Premium	-	-
<b>Investments:</b>			Less: Unamortized Refunding Charge	-	-
2013 Bond Construction Fund	-	-	Total Long-Term Debt	3,269,000	3,680,000
Interest and Sinking Fund	339,631	423,697	Pension Liability	1,445,475	1,445,475
Emergency, Repair, Replace, Conting Fund	3,551,973	3,534,535	Total Long-Term Debt and Pension	4,714,475	5,125,475
L.T. Rate Stabilization Fund:	813,879	723,583			
Total Investments	4,705,483	4,681,816	<b>Current Liabilities Payable from Restricted Assets:</b>		
Total Restricted Assets	5,196,069	5,205,092	Current Portion of 2013 Revenue Bonds	411,000	401,000
			Accrued Interest Payable	31,381	56,078
<b>Current Assets:</b>			Accounts Payable 2013 Bond Fund	-	523,276
<b>Revenue Fund:</b>			Customer Deposits	490,586	11,564
Cash and Cash Equivalents	719,943	591,035	Interest on Customer Deposits	13,326	-
Investments	29,038,531	11,008,452	Total Current Liab - Restricted	946,293	991,918
Less: Customer Deposits	(490,586)	(523,276)			
Total Revenue Fund	29,267,887	11,076,210	<b>Current Liabilities:</b>		
			Accounts Payable - Power Suppliers	15,175,354	2,165,917
<b>Construction Fund:</b>			Accounts Payable and Accrued Liab's	764,502	1,220,722
Cash and Cash Equivalents	5,078	5,068	Over Collection of Power Cost Adj Revs	7,182,506	1,983,318
Investments	1,441,996	1,658,519	Total Current Liabilities	23,122,362	5,369,957
Total Construction Fund	1,447,075	1,663,587			
			<b>Total Liabilities</b>		
<b>Rate Stabilization Fund:</b>				28,783,131	11,487,350
Cash and Cash Equivalents	-	-	<b>Deferred Credits:</b>		
Investments	1,897,663	1,896,918	Deferred Inflows of Resources - Pension	2,540,816	2,540,816
Total Rate Stabilization Fund	1,897,663	1,896,918			
<b>ERCOT CRR Auction Funds</b>					
	611,089	279,826			
<b>Customer Accounts Receivable,</b>					
Net of Allowances	4,094,860	3,721,152			
Materials and Supplies	924,824	1,011,261			
Other	1,006,214	912,521			
Total Current Assets	39,249,612	20,561,476			
<b>Deferred Debits:</b>					
Deferred Outflow of Resources	1,972,450	1,972,450			
Advance to City of Kerrville	7,500,000	7,500,000			
Advance to City of Kerrville-2020	-	1,000,000			
Total Deferred Debits	9,472,450	10,472,450			
Total Assets and Deferred Outflows	\$ 102,152,756	\$ 83,871,261	Total Equity, Liabilities and Deferred Inflows	\$ 102,152,756	\$ 83,871,261

Kerrville Public Utility Board  
Fund Balance Detail  
For the Month Ended July 31, 2021

	Date	Revenue Fund	Restricted					Total Funds Invested	
			Construction Fund	Rate Stabilization Fund	Long Term Rate Stabilization Fund	Debt Reserve Fund	Interest & Sinking Fund		Emergency Repair, Replacement & Contingency Fund
Beginning Fund Balance		\$ 28,440,261	\$ 1,441,954	\$ 1,897,607	\$ 813,855	\$ -	\$ 294,930	\$ 3,550,970	\$ 36,439,690
Withdrawals:									
TEXPOOL-TML Insurance	7/21/2021	(53,735)							(53,735)
TEXPOOL-TML Insurance	7/30/2021	(52,722)							(52,722)
TEXPOOL-TMRS	7/13/2021	(68,836)							(68,836)
TEXPOOL-LCRA	7/29/2021	(570,024)							(570,024)
TEXPOOL-CPS Energy	7/22/2021	(1,341,623)							(1,341,623)
TEXPOOL-NextEra	7/15/2021	(469,440)							(469,440)
TEXPOOL-ERCOT									-
TEXPOOL-2013 Bond Payment									-
TEXPOOL-City of Garland									-
TEXPOOL-DG Southwest Solar LLC	7/19/2021	(57,522)							(57,522)
TEXPOOL-Engie-Long Draw Solar	7/23/2021	(110,109)							(110,109)
TEXPOOL-Concho Bluff	7/26/2021	(273,285)							(273,285)
Investments:									
TEXPOOL	7/2/2021	300,000							300,000
TEXPOOL	7/7/2021	300,000							300,000
TEXPOOL	7/12/2021	400,000							400,000
HAPPY STATE BANK	7/26/2021	1,000,000							1,000,000
HAPPY STATE BANK	7/30/2021	1,637,237							1,637,237
Fund Balance after Withdrawals & Investments		29,080,201	1,441,954	1,897,607	813,855	-	294,930	3,550,970	37,132,352
Allocation of:									
Interest Income		844	43	56			9	105	1,056
Interest Receivable (accrued on CD)		2,178						899	3,076
Interest Receivable (received on CD)									-
Total Interest Allocation		3,021	43	56			9	1,003	4,132
Fund Balance After Allocations		29,083,222	1,441,996	1,897,663	813,855	-	294,939	3,551,973	37,136,484
Interfund Transfers	7/25/21	(44,692)					44,692		-
Ending Fund Balance		\$ 29,038,531	\$ 1,441,996	\$ 1,897,663	\$ 813,855	\$ -	\$ 339,631	\$ 3,551,973	\$ 37,136,484

Kerrville Public Utility Board  
 Computation of the Monthly and Year to Date Debt Service Coverage  
 For the Month Ended July 31, 2021

Description	Current Month	Fiscal Year	Previous Twelve Months
Net Income	\$ 713,123	\$1,824,182	\$2,583,417
Plus:			
Interest Expense (net of amortizations)	10,460	105,359	128,078
Depreciation Expense	301,427	2,937,684	3,784,814
Miscellaneous Amortizations	-	-	-
Numerator	<u>1,025,010</u>	<u>4,867,225</u>	<u>6,496,309</u>
 DIVIDED BY:			
Interest Expense (net of amortizations)	10,460	105,359	128,078
Principal Payment Due	34,250	341,667	408,500
Denominator	<u>\$ 44,710</u>	<u>\$ 447,026</u>	<u>\$ 536,578</u>
 Debt Service Coverage Ratio	<u>22.93</u>	<u>10.89</u>	<u>12.11</u>
 Minimum Requirement per Bond Covenant		1.35	times Debt Service
Minimum Requirement Established by KPUB Board for Good Business Practices		1.65	times Debt Service

Kerrville Public Utility Board  
 Schedule of Average Daily Balance of Fund  
 For Reporting Compliance as Required by the  
 Texas Public Funds Investment Act  
 For the Quarter Ending June 30, 2021

Total Funds Invested

Day of the Month	April 2021	May 2021	June 2021	Totals
1	\$ 38,534,684	\$ 37,621,170	\$ 37,182,656	
2	38,997,245	37,621,170	37,225,626	
3	38,997,245	37,880,343	37,243,783	
4	38,997,245	37,923,073	37,668,058	
5	39,185,515	37,997,843	37,668,058	
6	39,145,069	37,952,670	37,668,058	
7	39,359,032	38,022,885	37,940,555	
8	39,335,432	38,022,885	38,012,571	
9	39,470,218	38,022,885	38,139,138	
10	39,470,218	38,293,661	38,031,895	
11	39,470,218	38,340,083	38,269,964	
12	39,680,505	38,349,687	38,269,964	
13	39,725,400	38,154,852	38,269,964	
14	39,762,554	38,412,740	38,479,219	
15	39,461,203	38,412,740	38,563,797	
16	39,495,546	38,412,740	38,564,368	
17	39,495,546	38,631,100	38,542,065	
18	39,495,546	38,652,110	37,250,361	
19	39,605,419	38,269,651	37,250,361	
20	39,139,502	36,960,559	37,250,361	
21	39,195,545	37,106,080	37,505,437	
22	39,193,212	37,152,356	37,519,454	
23	39,392,290	37,152,356	37,583,851	
24	39,392,290	37,436,230	37,441,985	
25	38,181,584	37,485,390	37,586,454	
26	38,522,006	37,451,817	37,586,454	
27	38,525,956	37,219,593	37,586,454	
28	38,459,956	36,885,771	37,327,383	
29	38,274,996	36,885,771	37,475,693	
30	37,683,932	36,885,771	36,884,956	
31		36,877,717		
<b>Total of daily balance</b>	<b>\$ 1,173,645,107</b>	<b>\$ 1,170,493,701</b>	<b>\$ 1,131,988,944</b>	
<b>Average daily balance</b>	<b>\$ 39,121,504</b>	<b>\$ 37,757,861</b>	<b>\$ 37,732,965</b>	<b>\$ 38,623,642</b>
<b>Interest earnings</b>	<b>\$ 4,805</b>	<b>\$ 4,741</b>	<b>\$ 5,390</b>	<b>\$ 14,936</b>
<b>APR -----&gt;</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.17%</b>	<b>0.15%</b>

**Kerrville Public Utility Board  
Schedule of Other Investment Facts  
For Reporting Compliance as Required by the  
Texas Public Funds Investment Act  
For the Quarter Ending June 30, 2021**

**Total Funds Invested by Fund**

Fund	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Revenue	\$ 28,440,374	\$ 11,602	\$ 13,429
Construction	1,441,954	83	2,001
Rate Stabilization	1,897,607	109	2,285
Long Term Rate Stabilization	813,855	47	872
Debt Reserve	-	-	-
Interest & Sinking	294,930	13	263
Emergency, Repair, Replace & Cont. Fund	3,550,970	2,839	3,815
Revenue Fund - Checking Account	445,266	245	150
<b>Total</b>	<b>\$ 36,884,956</b>	<b>\$ 14,936</b>	<b>\$ 22,814</b>

**Total Funds Invested by Security**

Type of Security	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Certificate of Deposit	18% \$ 6,515,429	\$ 12,550	\$ 4,030
TEXPOOL	55% 20,161,461	717	12,470
LOGIC	26% 9,762,800	1,425	4,538
Checking Account	1% 445,266	245	150
<b>Totals</b>	<b>100% \$ 36,884,956</b>	<b>\$ 14,936</b>	<b>\$ 22,814</b>