

Skyline Ranch Estates Water Supply Corp

Annual Meeting
19 April, 2008

Water Pump & Towers



Board of Directors

- President: Bob Balslev
- VP: Jim VanOverschelde
- Operations: Harlan Mettenbrink
- Treasurer: Susan Ross
- Secretary: Mary Fulton
- Director: David Zink

Overview

- 5/1985 – Skyline Ranch, Inc/POA
- 9/2000 – Water Supply Corp
 - Non-profit corporation
 - By laws, 7/2002
 - 76 customers
 - 5,200,000 gallons pumped in 2007

Operational Structure

- Bylaws
- Texas Commission on Environmental Quality
 - Regulatory (reporting, monitoring, inspection)
- Hays Trinity Groundwater Conservation District
 - Emerging regulatory
- Texas Rural Water Association (TRWA)
 - Compliance guidance
- Contract: Professional General Management Services (PGMS)
 - Quarterly reporting, monthly samples, meter reading, billing, and repairs

2007 Financial Summary

- Total income: \$33,884
- Total expenses: \$49,448
(-\$15,564)
- Reserve (money market), covered deficit
 - Balance: \$3,600
- Major expenses
 - Replace pressure tank \$15,709*
 - PGMS \$15,659
 - Repairs \$10,942

* Replacement not forecasted

New Pressure Tank



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Forecasted Improvements

- Near term (1-2 yrs): \$33,400
 - Well evaluation and rehabilitation

- Longer term (2-3 yrs): \$54,000+
 - Emergency generator \$22,000
 - Alarm system \$ 2,000
 - Second well \$30,000
 - Regulatory compliance TBD

Tariff Background

- Current Tariff

- Marginal revenue/expense ratio

- Improvement plan: \$90,000

- POA rebate \$10,000

- Total needed \$80,000

- \$80,000 / 76 customers / 36 months

- = \$25 increase

Management challenge = \$5

Tariff increase = \$20/mo per customer

2008 Tariff Summary

- See <http://skylineranch.org>
- Effective 1 June, 2008
- Rate changes:
 - \$50 / month base rate
 - \$20 discount if 0 gallons used in a month
 - \$10 late fee after 25th day of month
 - \$60 reconnect fee
 - \$250 new connection fee
 - Disconnect, if not fully paid by 60th day after first late fee (almost 90 days total).

Board Changes

Joining

- I-Pei Hodge
- Rob Edelson
- Rex Wilson
- Andy Jeffries

Leaving

- Susan Ross
- Mary Fulton
- Jim VanOverschelde
- David Zink

Questions?