



Current

News from Floresville Electric Light & Power System

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FELPS Gets New Board Member; Advisory Member Reappointed

The Poth city council has appointed Braden Lyssy to represent the city on the Floresville Electric Light & Power System Board of Trustees for a four-year term that ends Dec. 31, 2023. He replaces Mark Moczygemba who had served on the Board since January 2012.

Lyssy graduated from Poth High School and earned a Bachelor of Business Administration degree in finance at the University of Texas at Austin. He currently works at Pawnee Independent School District as the school business manager. He enjoys hunting and fishing in his free time.

Falls City has reappointed Tim Braniff to represent the city as an advisory member for four more years. He began his Board service in June 2017.

A Falls City resident since 1978, Braniff moved to the city when he was hired by the school district as a coach. He has 36 years of experience in education and holds a B.S. degree from Stephen F. Austin University and a master's degree in school administration from Texas A&I University.

The Board of Trustees includes five voting members and two non-voting advisory members who set policy and approve expenditures and allocation of revenue for FELPS.

The mayor of Floresville serves on the Board, along with a member appointed by each of the city councils of Floresville, Poth and Stockdale. The fifth voting member is appointed by the city councils of Stockdale, Poth and Floresville on a rotating basis.

The Board also has two advisory members to represent Falls City and La Vernia. The advisory members are named by their respective city councils and also serve four-year terms.

Board Members Can Serve Two Terms

Trustees and advisory members may serve only two terms, but voting members may be named as advisory members even if they have served two terms in a voting capacity. Likewise, advisory members may be named as voting members after serving two terms in their advisory capacity.

Current Board members and their term expiration dates include:

Daniel M. Tejada, (Chair), City of Floresville
December 31, 2022

John Akin, (Vice Chair), City of Stockdale
December 31, 2021

Sherry Castillo, City of Floresville
December 31, 2020

Cecelia Gonzalez-Dippel, Mayor of Floresville
Serves during term as Mayor

Braden Lyssy, City of Poth
December 31, 2023

Advisory Members and their term expiration dates include:

Tim Braniff, City of Falls City
December 31, 2023

Sharon Tanneberger, City of La Vernia
December 31, 2021

FELPS Briefs

- The FELPS office will be closed on April 10 for Good Friday. Regular hours will resume at 8 a.m. on April 13.
- To report outages, including on holidays and after business hours (Monday-Friday 8 a.m.-5 p.m.), please call 830-216-7000 and select sub-option 2 or submit your outage through the FELPS web site www.felps.us.
- FELPS supports the stock shows in its service area through contributions. The utility contributed \$1,500 to the buyers' pool for the Wilson County Stock Show and \$1,000 to the La Vernia Stock Show.
- The 2020 census is coming up. Watch for details about participating to ensure an accurate count. Shape Your Future—Be Counted.

FELPS to Pay Owner Cities

Based on gross electric revenue in 2019, FELPS will pay \$1,145,946 to the three owner cities. Floresville will receive \$733,405.71 and Stockdale and Poth will each receive \$206,270.36. The payments represent 3 percent of the utility's gross electric sales within the cities during the previous year.

FELPS also will transfer 2.5 percent of gross electric sales within La Vernia and 2 percent in Falls City.

The payments go into the cities' general funds, allowing the cities to keep tax rates lower than otherwise would be the case.

FELPS Shows Continued Financial and Operations Strength

The 2019 financial and operations report for the Floresville Electric Light & Power System shows continued success in operations and finance. The year saw major expenditures for capital improvements that will allow FELPS personnel to continue providing a high level of service for customers.

CPS Energy, with an industry leading credit rating, continues to serve as the FELPS wholesale power supplier. CPS Energy operates with a diversified fuel mix for generating electricity, including both traditional and renewable fuel sources. This mix helps keep CPS Energy costs the lowest among the nation's largest cities and allows FELPS to maintain low electric bills. The wholesale power contract with CPS Energy continues through Dec. 31, 2025, and includes a cost reduction from the previous contract.

The number of FELPS customers continued to increase, reaching 16,082 at the end of 2019, a 1.6 percent increase from 2018. When the cities of Floresville, Stockdale and Poth purchased the utility system from CPS Energy in 1943, FELPS had 802 customers.

FELPS did not issue revenue bonds during 2019; however, Fitch Ratings reaffirmed its AA- rating, with a stable outlook. During 2018, Standard & Poor's raised FELPS' rating from A+ to AA- on the senior lien debt and raised the rating on the junior lien debt from A to A+.

Operating revenues from electric sales for 2019 totaled \$38,211,748, a 4.1 percent decrease from the previous year. The decrease is attributed to reduced generation and transmissions costs. Income also decreased; income was

\$4,555,591 in 2019 compared with \$5,015,593 in 2018.

Operating and maintenance expense other than purchased power costs amounted to \$10,420,416, 4.5 percent higher than the previous year. Total depreciation expense amounted to \$3,481,968, a 4.8 percent increase from 2018, as a result of additions to plant facilities.

Purchased power costs of \$24,785,480 were approximately 5.9 percent lower than in 2018. The purchased power cost decrease was greater than the decrease in revenue, because of savings on the fuel component in the wholesale power agreement. The fuel and regulatory component of the purchased power cost is passed through to customers in the form of a charge.

Total assets amounted to \$101,461,946, a decrease of \$1,435,195 from 2018. The decrease is primarily due to spending bond funds on capital projects. Proceeds from the 2018 bond issue will be spent from 2019-2021.

FELPS Completes Capital Projects for Future Continued Excellent Service

During 2019, FELPS completed several projects to ensure continuing reliable and cost-effective service. The System replaced poles in the distribution system and purchased land and completed the first phase of design for the new office complex.

Design and engineering work was completed on the new circuit from the Sutherland Springs Substation. Construction will begin in the first quarter of 2020. Approximately 75 percent of the utility's meters were replaced with Advanced Metering Infrastructure meters. The project is scheduled to be completed in the first quarter of 2020.

FELPS constructed distribution lines to newly developed areas, including several subdivisions. Many network domain and infrastructure components were upgraded.

Major projects planned for 2020 include completing construction on the Sutherland Springs Substation circuit and the final phase of the Advanced Metering Infrastructure project. Construction is expected to begin on the new office complex. Technology upgrades, pole replacement and an infrastructure audit will be completed. FELPS also will purchase additional equipment.

Capital expenditures totaled \$7,200,262 in 2019, an increase of 9 percent from the previous year. Capital projects are funded through a combination of bond funds and cash reserves.



Contacting FELPS

Floresville Electric Light and Power System

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Business hours: Monday-Friday 8 a.m.-4:45 p.m.

After 5 p.m.: (830) 216-7000 (for outages, press sub-option 2, or report outages online)

The Floresville Electric Light and Power System Board of Trustees meets the last Wednesday of each month at 8:30 a.m. in the utility offices, 1400 Fourth Street, Floresville.