NOVATO SANITARY DISTRICT

500 DAVIDSON STREET • NOVATO • CALIFORNIA 94945 • PHONE (415) 892-1694 • FAX (415) 898-2279
www.novatosan.com

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KENTON L. ALM
Legal Counsel

FINAL BUDGET

FOR

FISCAL YEARS 2012-14

Including Preliminary Budget for Fiscal Year 2013-14

Proposed August 2012

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SECTION I

LETTER OF TRANSMITTAL AND SUMMARY OF FUND BALANCES

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August 27, 2012

Honorable Board of Directors
Novato Sanitary District
Novato, California 94945

Dear Board Members:

The proposed Final District Budget for the 2012-13 fiscal year and Preliminary Budget for fiscal year 2013-14 are attached for your consideration and approval.

The FY 2012-13 Final Budget includes the following components:

- Summary of the Operations Budget Revenues and Expenditures,
- Breakout by Department of the Operating Fund Budget,
- Activity for Vehicle Replacement Fund,
- Activity for the Self Insurance Fund,
- Activity for Rate Stabilization, Emergency Repair Fund, and Southgate Reserve Fund,
- Capital Improvement Revenue and Expenditures Budget,
- Debt Service Fund Summary for State Revolving Fund (SRF) Loan and Certificates of Participation (COP) Bond Fund

OVERVIEW OF FISCAL YEAR 2012-13 DISTRICT ACTIVITIES

This year's annual sewer service charge increase from $464 to $495 per service unit or 6.7% was adopted on June 25, 2012. The sewer service charge is divided with $285 (58%) allocated to the Operating Budget, and $210 (42%) allocated to the Capital Budget.

The issues that affect the Operating Budget include:

- Operating sewer service charge revenue increase of 1.6%,
- Payoff of the PERs side fund in 2011-12 decreasing pension costs,
- Contract limiting treatment cost increase to CPI,
- Anticipated settlement of administrative civil liability.

The issues that significantly affect the Capital Budget include:

- Capital sewer service charge revenue increase of 12.3%,
- Connection charge decrease of 34%,
- Completion of grant-funded projects.

- On-going major capital projects, including Pump Station Rehabilitation, Collection System Improvements, and Recycled Water Project.

BUDGET STRUCTURE

Our budget is prepared on a cash basis. Table 1 summarizes the Operating and Capital Revenue and Expenditures and compares the immediate past year with the proposed budget. Total revenues are project to decrease slightly due to lower capital revenue as noted above. More detailed information regarding the variances between the two budget years are included below both by department and account.

Table 1: Summary of Revenues and Expenditures for FY 12 and FY 13

	FY 11/12 Adopted Budget	FY 12/13 Proposed Budget	% Change FY 12 to FY 13
Operating Revenues	$ 8,954,956	$ 9,149,171	2%
Capital Revenues	9,593,415	9,304,740	-3%
Debt Service			
Total Revenues	**$ 18,548,371**	**$ 18,453,911**	-.5%
Operating Expenditures	10,261,048	9,316,303	-9%
Capital Expenditures	5,147,752	445,440	91%
Debt Service	6,064,321	6,924,029	14%
COP Bond Expenditures(CIP)	7,480,248	7,654,000	2%
Total Expenditures	**$ 28,953,369**	**$ 24,339,772**	-16%

FISCAL YEAR 2012-13 OPERATING BUDGET DETAILS

Operating Revenues

The proposed FY 2012-13 Operating Budget by Revenue source is shown in Table 2 below along with the figures for the past two fiscal years. Total operating revenues are expected to increase by 2% or $194,215 from FY 2011-12. It should be noted that the Operating Revenue have remained relatively flat over the past three years with a total increase of only $55,000 or 0.6%. This is significantly less than inflation over the same period.

Operating Sewer Service Charges are expected to increase by $135,000 or 1.6% for operations. The revenue increase is slightly lower than the percent of sewer service charge increase due to lower water use in the 2011-12 winter season.

Permits and Fees expected to increase by $11,000 or 92% due to anticipated applications for connections and repairs.

Interest Income expected to decrease by $2,500 or 17% due to the market conditions.

Ranch Income expected to increase by 15% due to a resolution to the calculation of the Rancher's invoices.

Recycled Water revenue expected to increase by 838% or $67,000 in the upcoming year due to the startup of recycled water plant in the next couple of months.

Table 2: Operating Budget Revenue Three-Year Summary

Funding Sources by Category	FY 10-11 Adopted Budget	FY 11-12 Adopted Budget	FY 12-13 Proposed Budget	% Change FY 12 to FY 13
Operating Sewer Service Charges	$8,023,872	$8,210,842	$8,345,700	1.6%
Permit & Inspection fees	36,500	12,000	23,000	92%
Interest Income	125,000	15,000	12,500	-17%
Engineering/Admin Chgs	200,000	200,000	175,000	-13%
Franchise Fees	45,000	46,575	47,370	2%
AB 939 Collector Fees	280,493	297,586	297,586	0%
Oil and Beverage Grant	62,845	54,953	63,015	15%
Ranch Income	76,851	60,000	60,000	0%
Recycled Water Revenue	8,000	8,000	75,000	838%
Other Revenue	235,100	50,000	50,000	0%
Total Operating Revenue	**$9,093,661**	**$8,954,956**	**$9,149,171**	**2%**

Operating Expenditures

A summary of proposed and past two fiscal years Operating Expenditures are shown in Table 3 by Department Operating expenditures are expected to decrease by 9% or $944,700 between fiscal year 2011-12 and 2012-13. The three-year operating expenditure increase is 3.2% with some of the savings in treatment plant operation and maintenance costs being directed to collection system operation and maintenance in response to stricter requirements. Table 4 details the budget categories that significantly contributed to the difference between the 2011-12 and 2012-13 operating budgets.

Collection department's increase of 25% or $288,000 is primarily due to a one-time administrative civil liability settlement for sanitary sewer overflows.

Administration/Engineering decrease of 35% or approximately $1.4 million is primarily due to the side fund pay off last fiscal year of $1.2 million.

Recycled Water increase of 100% or $75,000 is due to the start up of our new recycled water facility in this fiscal year.

Table 3: Operating Budget Expenditures 3-year Summary:

Expenditures by Department	FY 10-11 Adopted Budget	FY 11-12 Adopted Budget	FY 12-13 Proposed Budget	% Change FY 12 to FY 13
Collections	$1,170,905	$1,156,257	$1,444,345	25%
Treatment	2,806,147	2,678,750	2,744,000	2%
Reclamation	474,083	531,787	526,413	-1%
Laboratory	728,818	693,008	676,740	-2%
Pump Stations	724,074	887,148	924,862	4%
Administration/Engineering	2,778,456	3,953,497	2,564,643	-35%
Hazardous Household Wste	343,338	360,601	360,300	0%
Recycled Water	0	0	75,000	100%
Total Expenditures	$9,025,821	$10,261,048	$9,316,303	-9%

Table 4: Operating Budget Significant Budget Variances 2011-12 to 2012-13

Main Budget Variances – FY 12 to FY 13	Budget Impact
1. Recycled Water Plant scheduled to come on line.	$ 75,000
2. Paid off CALPers side fund.	(1,215,000)
3. No election this year.	(60,000)
4. Unusual equipment maintenance- Treatment Plant	54,000
5. Outside services for Collections and Pump Stations	70,000
6. Permits and Fees due to SB 709	279,000
7. Treatment Plant -Contract Operations	(152,750)

FISCAL YEAR 2012-13 CAPITAL BUDGET DETAILS

Capital Revenues

The proposed FY 2012-13 Capital Budget by Revenue source is shown in Table 5 below along with the figures for the past two fiscal years. Total capital revenues are expected to decrease by 3% or $288,675 from FY 2011-12.

Capital Sewer Service Charge Revenues are expected to increase by 12% due to the rate increase of 6.7%.

Connection Fees are expected to decline by about 34% or $234,100 due to decline in upcoming construction development plans.

Grant Revenues are expected to decrease by 45% or $727,200 due to the completion of the ARRA project also known as our Recycled Water Project, partially funded by this grant.

Table 5: Capital Budget Revenue 3-year Summary

Funding Sources by Category	FY 10-11 Adopted Budget	FY 11-12 Adopted Budget	FY 12-13 Proposed Budget	% Change FY 12 to FY 13
Capital Sewer Service Charges	$5,407,578	$5,472,815	$6,149,430	12%
Property Taxes	1,875,000	1,775,000	1,780,000	0%
Connection Charges	162,200	681,600	447,500	-34%
Collector/Special Equalization Chgs	16,000	10,000	6,000	-40%
Interest Income	50,000	25,000	20,000	-20%
Grant and Other Revenue	859,480	1,629,000	901,810	-45%
Total Capital Revenues:	**$8,370,258**	**$9,593,415**	**$9,304,740**	**- 3%**

Capital Expenditures

The proposed Capital Improvement Budget for 2012-13 totals $15,023,469 or $3,688,852 less than last year. The decrease is due to the fact that the Recycled Water Project is almost completed.

Capital projects for 2012-13 will primarily be funded from restricted COP proceeds. Of the total capital projects for 2012-13, $7,654,000 will be funded from COP proceeds and $445,440 will be funded through grant, property taxes, and connection proceeds. The debt service of $6,924,029 will be funded primarily from sewer service charges, property taxes and connection charges. Table 6 shows the Capital Debt Service and Capital Project Costs for three fiscal years.

Table 6: Capital Budget Expenditures, 3-year Summary

Capital Expenditures	FY 10-11 Adopted Budget	FY 11-12 Adopted Budget	FY 12-13 Proposed Budget	% Change FY 12 to FY 13
Capital Projects	$17,776,600	$12,628,000	$ 8,099,440	-36%
Debt Service	5,404,179	6,064,321	6,924,029	14%
Total	**$23,180,779**	**$18,692,321**	**$15,023,469**	**-20%**

DESIGNATED FUNDS

Vehicle Replacement Fund

The District maintains a Vehicle Replacement Fund in order to spread the cost of replacing vehicles over time and by various District departments. The fund balance at June 30, 2012 was $289,575. The proposed 2012-13 additions from the Operating Budget accounts total $150,000. This year we plan to sell three vehicles and to purchase a rodder as detailed on Page 16 of the budget at a net cost estimated at $150,000. Revenue from the sale of the surplus vehicles is anticipated to total $35,000. This will result in an anticipated fund balance on June 30, 2013 of about $238,795.

Self-Insurance Reserve Fund

The District purchases general and auto liability coverage through the California Sanitation Risk Management Authority (CSRMA). Coverage for Errors and Omissions is included in the CSRMA pooled liability insurance program. The District also purchases property insurance through CSRMA to cover buildings, structures and equipment.

The District s' deductible on its comprehensive liability policy is $25,000 per occurrence to reduce liability for claims in excess of $25,000. The Self-Insurance Reserve Fund is maintained to cover claims losses within the deductible amounts of these policies and to cover insurance contingencies.

Since the District is self-insured for Unemployment Insurance, the Self-Insurance Reserve Fund now also includes anticipated costs of Unemployment Insurance claims.

The June 30, 2012 fund balance is $164,016. This includes a transfer of $50,892 from the Operating Fund to cover losses in 2011-12. With the anticipated interest earned in this fund, and the amount proposed to be transferred back to the Operating Fund to reimburse for claims this year, the projected June 30, 2013 balance is $164,516.

Rate Stabilization and Emergency Repair Funds

The proposed budget includes $600,000 in each of these two funds. These funds were created by Board policy adopted in September 2001.

COMPARISON OF ANNUAL SEWER SERVICE CHARGES LEVIED BY NEIGHBORING AGENCIES

It is of interest to compare the District's proposed rate with those of other nearby sanitation agencies. The following table makes possible such a comparison. For the most part, the rates for other agencies are those projected for the 2012-13 fiscal year.

AGENCY	RATE ($/yr)
City of Santa Rosa	1,098
City of Petaluma	966
Sausalito-Marin City San Dist	701
City of Mill Valley	677
Sanitary District No. 1	638
San Rafael Sanitation Dist	638
Sausalito-Marin City San Dist	616
Las Gallinas Valley Sanitary Dist	590
NOVATO SANITARY DISTRICT	**495**
Vallejo San & Flood Dist	483
Napa Sanitation Dist	435

The 2012-13 budget is able to accomplish the Novato Sanitary District's commitments to achieving the key goals set forth in the Strategic Plan while maintaining reasonable rates for its customers.

Sincerely,

Beverly B James

BEVERLY B. JAMES
Manager-Engineer

Attachment

ADDITONAL CHARTS AND GRAPHS FOR FURTHER ANALYSIS

See following pages

Table A-1 shows the estimated fund flow based on actual 2011-12 expenditures and projected expenditures for 2012-13 to 2015-16.

Table A-1
Novato Sanitary District
PROJECTED FLOW OF OPERATING FUNDS FY 2011-12 THROUGH 2015-16

ANTICIPATED FLOW OF FUNDS	Actual 2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15	Projected 2015-16
OPERATING					
Beginning Balance	7,612,914	7,122,091	6,954,164	6,441,870	5,760,236
Revenues Other Than SC/PT	646,818	802,676	826,756	851,559	877,106
Property Taxes	0	0	0	0	0
Service Charge Revenue	8,203,158	8,345,700	8,359,905	8,528,320	8,697,485
Fund Transfers					
From Self Insurance Reserve	50,892	45,000	15,000	15,000	15,000
To Self Insurance Reserve	(50,892)	(45,000)	(25,000)	0	(25,000)
From Rate Stabilization Fund	0	0	0	0	0
To Emergency Repair Reserve	0	0	0	0	0
From Southgate Reserve	0	0	0	0	0
From Capital Imp. Reserve	0	0	0	0	0
Expenditures	(9,340,799)	(9,316,303)	(9,688,955)	(10,076,513)	(10,479,574)
To reconcile P/Y Southgate transfers not made					
Ending Bal - Working Capital	7,122,091	6,954,164	6,441,870	5,760,236	4,845,253
Vehicle Replacement	289,795	299,795	309,795	319,795	329,795
Self-Insurance Reserve	164,016	164,016	157,096	150,038	142,839
Rate Stabilization Fund	600,000	600,000	600,000	600,000	600,000
Emergency Repair Reserve Fund	600,000	600,000	600,000	600,000	600,000
Southgate Reserve Fund	679,989	679,989	679,989	679,989	679,989
Total Operating Reserves	9,455,891	9,297,964	8,788,750	8,110,058	7,197,876
Operating Service Units	29,072	29,283	29,333	29,408	29,483
Operating Service Charge Rates	276	276	285	290	295
Increase over Previous Year	0.0%	0.0%	3.3%	1.8%	1.7%

SIF = Self-Insurance Fund
RSF = Rate Stabilization Fund
ERR = Emergency Repair Reserve
SRF = Southgate Reserve Fund

The projections assume continuation of the policy of maintaining total operating fund reserves in accordance with the reserve policy adopted by the Board of Directors in 2001. That policy establishes specific reserve levels for operating cash flow, service charge stabilization and emergency repairs.

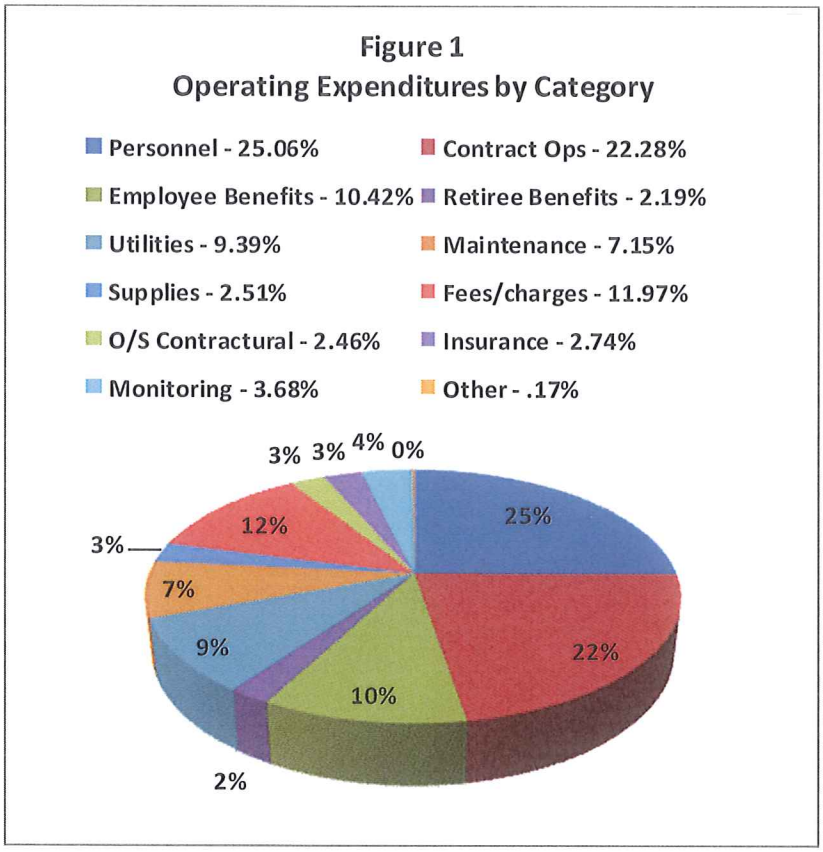


Figure 1 above shows proposed expenditures by expenditure category. Figure 1 shows that 37.7% of the budget involves personnel-related costs, including salaries, benefits, training and memberships. The remaining areas of expense are directly or indirectly related to the operation of facilities necessary to meet water quality and solid waste program mandates.

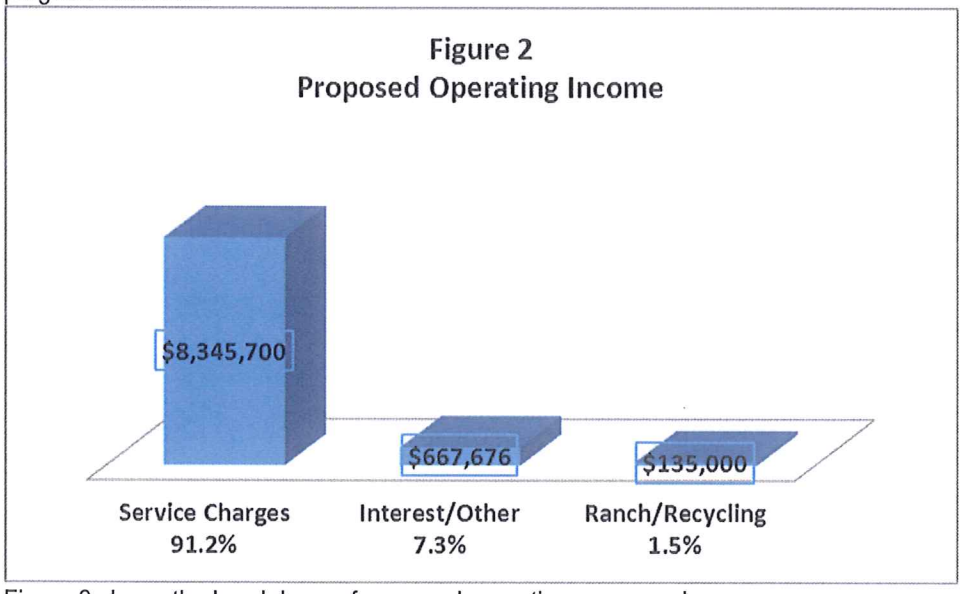


Figure 2 shows the breakdown of proposed operating revenues by source.

HISTORY OF OPERATING TAX AND SERVICE CHARGE LEVIES

Fiscal Year	Property Taxes	Operating Service Unit Charges	County Collection Fee	Total Levy	Equivalent Connections July 1	Average Levy per Connection	Increase or Decrease
2011-12	0	8,203,158	52,542	8,255,700	29,072	283.97	0.9%
Proposed 2012-13	0	8,345,700	61,000	8,406,700	29,273	287.18	2.0%

Novato Sanitary District
2012-14 Final Budget
Summary of Working Capital
And Capital Improvement Reserve Fund Balances

	Budget 10/11	Budget 11/12	Actual Rev/Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
Working Capital Fund at July 1st Beginning of Each Year	7,164,360	7,618,784	7,612,914	7,122,091	7,122,091	6,954,959
Operating Revenue (See pg 2)	9,093,661	8,954,956	8,849,976	9,304,226	9,149,171	9,508,421
Operating Expenditures (See pg 3)	9,025,821	10,261,048	9,340,798	9,308,303	9,316,303	9,420,632
Net Operating Revenue	67,840	(1,306,092)	(490,823)	(4,077)	(167,132)	87,789
Working Capital Fund at the End of Each Year	**7,232,200**	**6,312,692**	**7,122,091**	**7,118,014**	**6,954,959**	**7,042,748**
Capital Improvement Reserve Fund at July 1st Beginning of Each Year	3,006,193	1,913,656	(4,293,777)	13,213,888	13,213,888	7,495,159
Capital Revenue (See pg 20)	8,370,258	9,593,415	9,227,228	9,501,525	9,304,740	9,239,220
COP Proceeds (See pg 23)	6,000,000	22,000,000	21,899,891			
SRF Loan Proceeds(Final) " "	5,980,876	2,039,575	2,039,575			
Total Capital Revenues	20,351,134	33,632,990	33,166,694	9,501,525	9,304,740	9,239,220
Capital Expenditures (See pg 21)	17,776,600	12,628,000	9,709,679	8,199,460	8,099,440	7,316,000
Debt Service " "	5,404,179	6,064,321	5,949,349	6,924,009	6,924,029	6,930,028
Total Capital Expenditures	23,180,779	18,692,321	15,659,028	15,123,469	15,023,469	14,246,028
Capital Improvement Reserve Fund Balance at the End of Each Year	**176,548**	**(7,185,250)**	**13,213,888**	**7,591,944**	**7,495,159**	**2,488,351**
Reserved			14,431,619	6,783,619	6,783,619	0
Unreserved			5,904,361	7,926,339	7,666,500	9,531,100
Working Capital and Capital Improvement Fund Balances at The End of Each Year	**7,408,748**	**(872,558)**	**20,335,980**	**14,709,959**	**14,450,119**	**9,531,100**
Debt Coverage Ratio(1)						
Net Operating Revenue	**67,840**	**(1,306,092)**	**(490,823)**	**(4,077)**	**(167,132)**	**87,789**
Capital Revenue	**20,351,134**	**33,632,990**	**33,166,694**	**9,501,525**	**9,304,740**	**9,239,220**
Annual Debt Service	**5,404,179**	**6,064,321**	**5,949,349**	**6,924,009**	**6,924,029**	**6,930,028**
Coverage Ratio	**3.77**	**5.55**	**5.57**	**1.37**	**1.34**	**1.33**

(1)Net Operating Revenue + Capital Revenue/ Annual Debt Service = Debt Coverage Ratio

	11/12	12/13	13/14
Beginning Balance each year	-	**14,431,619**	**6,783,619**
Cop Proceeds	**21,899,891**	**0**	**0**
Less Withdrawals	**(7,480,248)**	**(7,654,000)**	**(6,785,619)**
Interest earned and Reinvested	**11,976**	**6,000**	**2,000**
Cash Balance for COP Expenditures	**14,431,619**	**6,783,619**	**0**

SECTION II

OPERATING FUND SUMMARY SCHEDULES

Novato Sanitary District
2012-14 Final Budget
Operating Revenue Summary

	Budget 10/11	Budget 11/12	Actual Rev 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
41010 · Sewer Service Charges (1)	8,023,872	8,210,842	8,203,158	8,501,550	8,345,700	8,672,450
41030 · Plan Check & Inspection Fee	7,500	500	0	500	500	500
41040 · Permit & Inspection Fee	25,000	7,500	6,340	7,500	7,500	7,500
41060 · Interest Income	125,000	15,000	15,477	12,500	12,500	15,000
41080 · Engineering & Admin Charges	200,000	200,000	197,310	175,000	175,000	175,000
41090 · Non-domestic Permit Fees (2)	4,000	4,000	15,101	15,000	15,000	4,000
41100 · Garbage Franchise Fees	45,000	46,575	45,000	46,575	47,370	47,370
41105 · AB 939 Collector Fees	280,493	297,586	297,586	297,586	297,586	297,586
41107 · Oil/Bev/Tire Grants (3)	62,845	54,953	47,237	63,015	63,015	63,015
41130 · Ranch Income	76,851	60,000	31,100	60,000	60,000	60,000
41135 · Recycled Water Revenue	8,000	8,000	8,060	75,000	75,000	108,000
41140 · Other Revenue (4)	235,100	40,000	(17,380)	40,000	40,000	48,000
41142 · Loss on disposal of assets	-	10,000	988	10,000	10,000	10,000
Totals	**9,093,661**	**8,954,956**	**8,849,976**	**9,304,226**	**9,149,171**	**9,508,421**

Comments:

(1) Service charge revenue is based on proposed rate increase and County Estimate for 2012/13 fiscal year.
Note: Total charge is $495 split between operations($285) and capital ($210) for 2012/13
Total charge is $533 split between operations($290) and capital ($224) for 2013/14.

(2) Includes application fees, permits and monitoring charges.

(3) Oil/Bev/Tire Grants $22,490/ JPA Reimb Fees $40,355.

(4) Other revenue includes septic tank hauling fees, and other miscellaneous revenue.
In addition, in prior year we recognized generator deposits as income inadvertently, in the current year this error was reversed. Thus, the significant difference between estimated and actual revenues of apprx $55k.

APPROPRIATIONS LIMITATION

The appropriations limitation, pursuant to Article XIIIB of the California Constitution, will be determined prior to submission of the final budget in August.

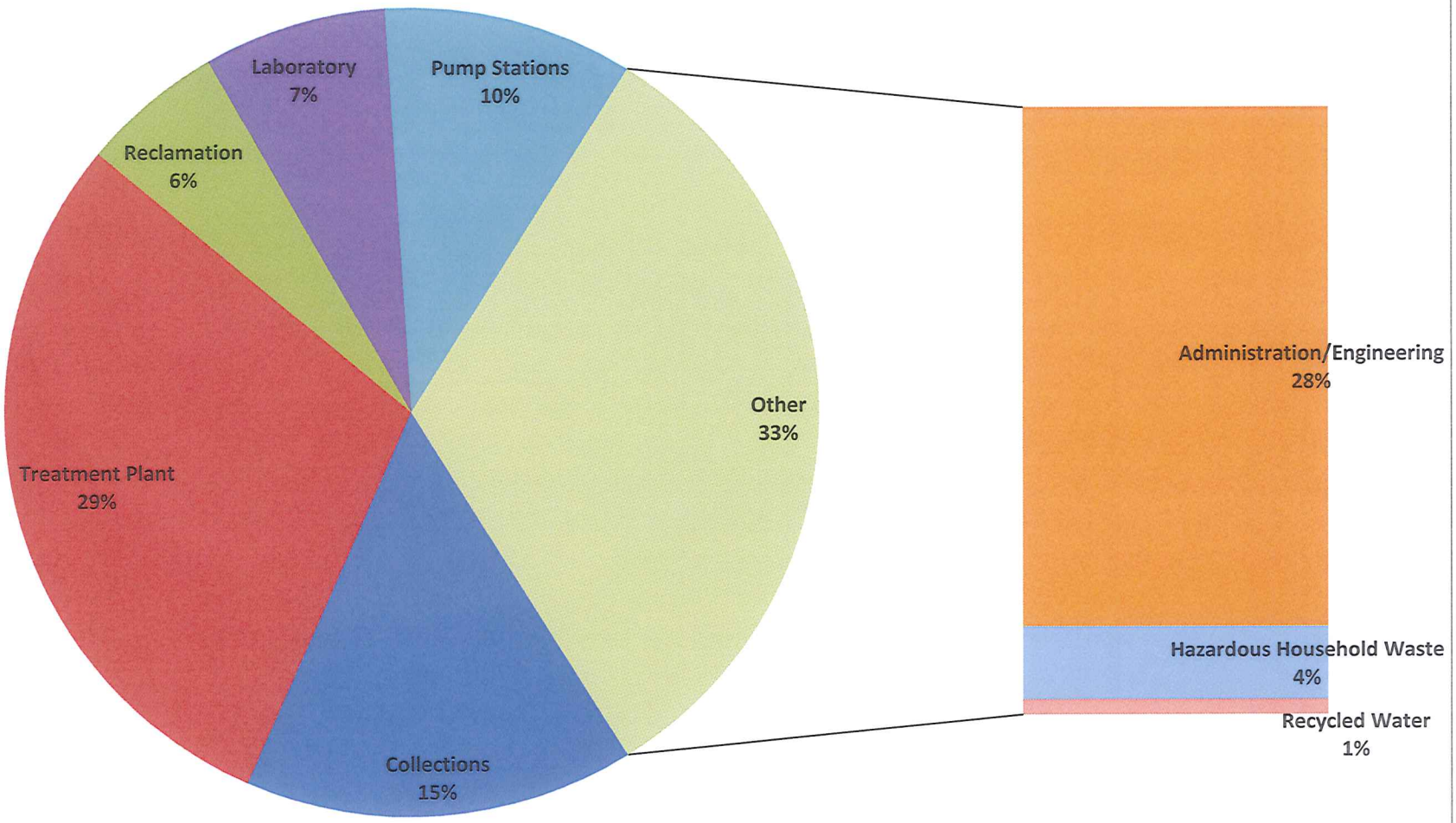
Novato Sanitary District
2012-14 Final Budget
Operating Budget - Summary of Expenditures

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012-13	Preliminary Budget 2013/14
Collections	1,170,905	1,156,257	967,461	1,444,345	1,444,345	1,242,877
Treatment Plant	2,806,147	2,678,750	2,560,633	2,736,000	2,744,000	2,833,350
Reclamation	474,083	531,787	455,391	526,413	526,413	465,713
Laboratory	728,818	693,008	600,327	676,740	676,740	751,881
Pump Stations	724,074	887,148	749,465	924,862	924,862	870,985
Administration/Engineering	2,778,456	3,953,497	3,696,631	2,564,643	2,564,643	2,777,016
Hazardous Household Waste	343,338	360,601	310,890	360,300	360,300	370,810
Recycled Water	0	0	0	75,000	75,000	108,000
	9,025,821	10,261,048	9,340,798	9,308,303	9,316,303	9,420,632

Novato Sanitary District
2012-14 Final Operating Budget
Operating Fund and Working Capital Reserve Fund

			2012-13 Budget	
			Prelim	Final
OPERATING FUND				
	Fund Balance 6/30/11		0	0
		Revenues 2011-12	8,849,976	8,849,976
		Expenditures 2011-12	(9,340,798)	(9,340,798)
		Transfer from Self-Insurance Fund for Claims	50,892	50,892
		Transfer to Self-Insurance Reserve Fund	(50,892)	(50,892)
		Transfer from Working Capital Reserve Fund	490,823	490,823
	Fund Balance 6/30/12		0	0
		Anticipated Revenues 2012-13	9,304,226	9,149,171
		Anticipated Expenditures 2012-13	(9,308,303)	(9,316,303)
		Anticipated Transfer from Self-Insurance Fund for Claims	(45,000)	(45,000)
		Anticipated Transfer to Self-Insurance Reserve Fund	45,000	45,000
		Anticipated Transfer from Southgate Reserve Fund	0	-
		Anticipated Transfer to/from Working Capital Reserve Fund	4,077	167,132
	Anticipated Fund Balance 6/30/13		0	0
WORKING CAPITAL RESERVE FUND				
	Fund Balance 6/30/11		7,612,914	7,612,914
		Transfer from Operating Fund 2011-12	(490,823)	(490,823)
		Transfer to Rate Stabilization Reserve	0	-
		Transfer to Emergency Repair Reserve	0	-
	Fund Balance 6/30/12		7,122,091	7,122,091
		Anticipated Transfer to/from Operating Fund 2012-13	(4,077)	(167,132)
	Anticipated Fund Balance 6/30/13		7,118,014	6,954,959

Final 2012-2014 Operating Budget
By Department



Novato Sanitary District
2012-13 Final Operating Budget
Operating Budget Detail by Account Category

	Treatment Facilities	Recl	L-M	Pump Stations	Collection System	A-E	Recycled Water	Total	Percent	Over/ Under PY Budget	% Over/ Under PY Budget
Salaries and Wages		30,758	201,512	331,138	583,833	994,388		2,141,629	22.99%	43,992	2.10%
O & M Services							50,000	50,000	0.54%	50,000	100.00%
Employee Benefits		12,655	79,327	164,724	277,512	399,308		933,526	10.02%	(8,392)	-0.89%
CalPERS Side Fund Payoff						0		-	0.0%	(1,215,597)	-100.00%
Retiree Health Benefits						195,847		195,847	2.10%	(34,638)	-15.03%
Directors' Fees						45,000		45,000	0.48%	5,000	12.50%
Election Expense						0		-	0.00%	(60,000)	-100.00%
Gasoline, Oil & Fuel		4,000	2,500	4,000	25,000	8,000		43,500	0.47%	(1,000)	-2.25%
Insurance	55,000					145,000		200,000	2.15%	4,400	2.25%
Ins Claims Expense						45,000		45,000	0.48%	(10,600)	-19.06%
Agency Dues						42,000		42,000	0.45%	2,000	5.00%
Memberships						7,500		7,500	0.08%	300	4.17%
Office Expense						30,000		30,000	0.32%	2,000	7.14%
Safety		1,000	1,000	2,000	5,000	1,000		10,000	0.11%	10,000	100%
Software Maint		2,000	23,000	10,000	25,000			60,000	0.64%	9,500	18.81%
Operating Supplies		2,000	25,000	9,000	30,000	9,000	1,000	76,000	0.82%	(13,000)	-14.61%
Operating Chemicals				50,000			15,000	65,000	0.70%	(32,000)	-32.99%
Sludge Disposal-Contractual		215,000						215,000	2.31%	29,000	15.59%
Accounting & Auditing						21,000		21,000	0.23%	(1,000)	-4.55%
Attorney						160,000		160,000	1.72%	(30,000)	-15.79%
Outside Consulting						220,000		220,000	2.36%	(8,760)	-3.83%
IT/Misc. Electrical						50,000		50,000	0.54%	10,000	25.00%
Printing & Publication						15,000		15,000	0.16%	(2,000)	-11.76%
Repairs & Maintenance		80,000	10,000	115,000	82,000	40,000	5,000	332,000	3.56%	21,000	6.75%
Unusual Equipment Maint	104,000	0						104,000	1.12%	54,000	108.00%
Small Tools		1,000		2,000	1,000			4,000	0.04%	(500)	-11.11%
Outside Services				70,000	75,000			145,000	1.56%	70,000	93.33%
Ditch/Dike Maintenance		20,000						20,000	0.21%	2,000	11.11%
Research & Monitoring			290,000					290,000	3.11%	14,600	5.30%
Travel, Mtgs & Train.						50,000		50,000	0.54%	5,000	11.11%
Pollution Prevention/Pub. Ed.			40,000					40,000	0.43%	8,000	25.00%
Gas & Electricity	570,000	120,000		90,000			3,000	783,000	8.40%	7,000	0.90%
Water		10,000		5,000	6,000			21,000	0.23%	3,000	16.67%
Telephone				20,000	2,000	15,000		37,000	0.40%	-	0.00%
Other/Operational Assistance					1,000			1,000	0.01%	(1,000)	-50.00%
Permits & Fees	70,000	21,000	3,000	42,000	291,000		1,000	428,000	4.59%	279,000	187.25%
Co. Collection Fees						61,000		61,000	0.65%	1,000	1.67%
Ser. Chg. System Exp						5,000		5,000	0.05%	(4,000)	-44.44%
Vehicle Replacement		7,000	1,400	10,000	40,000	5,600		64,000	0.69%	-	0.00%
Capital Outlay		0						-	0.00%	-	0.00%
AB 939 Solid Waste Programs						360,301		360,301	3.87%	(300)	-0.08%
Contract Operations	1,945,000							1,945,000	20.88%	(152,750)	-7.28%
Total	**2,744,000**	**526,413**	**676,739**	**924,862**	**1,444,345**	**2,924,944**	**75,000**	**9,316,303**	**100.00%**	**(944,745)**	**-9.21%**
	29.45%	5.65%	7.26%	9.93%	15.50%	31.40%	1%	100.00%			

SECTION III

OPERATING FUND BUDGET

Novato Sanitary District
2012-14 Final Budget
Operating Budget - Collections

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
60010 · Salaries & Wages	487,569	562,400	524,836	583,833	583,833	601,299
60020 · Employee Benefits	314,836	251,857	230,222	277,512	277,512	302,578
60060 · Gas, Oil & Fuel	15,000	25,000	18,230	25,000	25,000	30,000
60085 · Safety(1)	0	0	0	5,000	5,000	5,000
60091 · Software Maint	20,000	25,000	16,484	25,000	25,000	25,000
60100 · Operating Supplies	18,000	27,000	22,902	30,000	30,000	32,000
60150 · Repairs & Maint	45,000	60,000	57,423	82,000	82,000	60,000
60152 · Small Tools	2,000	1,000	59	1,000	1,000	2,000
60153 · Outside Services	65,000	55,000	37,873	75,000	75,000	75,000
60192 · Water	4,000	5,000	6,683	6,000	6,000	7,000
60193 · Telephone	2,000	2,000	1,898	2,000	2,000	2,000
60200 · Other(Garbage Coll)	2,500	2,000	742	1,000	1,000	1,000
60201 · Permits & Fees	160,000	100,000	10,111	291,000	291,000	60,000
60290 · Vehicle Replacemnt	35,000	40,000	40,000	40,000	40,000	40,000
	1,170,905	**1,156,257**	**967,461**	**1,444,345**	**1,444,345**	**1,242,877**

Comments:

(1) New account for safety related expenses allocated to Collection, Reclamation, Lab, Pump Stations and Administration.

Novato Sanitary District
2012-14 Final Budget
Operating Budget - Treatment Facilities

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
61000-1 · Fixed Fee(1)	1,707,983	1,880,000	1,843,921	1,945,000	1,945,000	2,003,350
61000-2 · Insurance & Bonds	37,100	51,750	55,482	55,000	55,000	55,000
61000-3 · Major Repr/Replacemnt	92,000	104,000	36,635	104,000	104,000	110,000
61000-4 · Water/Permits/Ph(2)	16,000	62,000	57,913	70,000	70,000	65,000
61000-5 · Gas & Electricity	542,815	581,000	566,681	562,000	570,000	600,000
	2,395,898	**2,678,750**	**2,560,633**	**2,736,000**	**2,744,000**	**2,833,350**

Comments:

(1) Fixed fee - Veolia working on calculation for upcoming year, one piece of information missing to calculate fee for 12/13 therefore, used previously estimated budget.

(2) Water/Permits/Phone account should include funds for State Water Resources Control Board not previously included in prior year. Amount of permits this year was approximately $45k.

Note: 2010/11 required an additional $410,249 before Veolia's contract was effective.

Novato Sanitary District
2012-2014 Final Budget
Operating Budget -Reclamation

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
63010 · Salaries & Wages	29,219	29,945	31,165	30,758	30,758	31,435
63020 · Employee Benefits	15,864	13,342	12,849	12,655	12,655	13,278
63060 · Gasoline & Oil	5,000	8,000	5,537	4,000	4,000	4,000
63085 · Safety(1)	0	0	0	1,000	1,000	1,000
63091 · Software Maint	2,500	2,500	0	2,000	2,000	3,000
63100 · Operating Supplies	3,000	3,000	2,103	2,000	2,000	3,000
63115 · Sludge Disposal	130,000	186,000	185,165	215,000	215,000	150,000
63150 · Repairs & Maint	85,000	85,000	81,484	80,000	80,000	90,000
63151 · Unusual Equipment Maint	50,000	50,000	26,466	0	0	0
63152 · Small Tools	1,500	1,000	0	1,000	1,000	1,000
63157 · Ditch/Dike Maint	20,000	18,000	840	20,000	20,000	20,000
63191 · Gas & Electricity	115,000	95,000	92,577	120,000	120,000	130,000
63192 · Water	8,000	8,000	8,210	10,000	10,000	10,000
63201 · Permits & Fees	2,000	25,000	1,995	21,000	21,000	2,000
63290 · Vehicle Replacemnt	7,000	7,000	7,000	7,000	7,000	7,000
	474,083	**531,787**	**455,391**	**526,413**	**526,413**	**465,713**

Comments:

(1) New account for safety related expenses allocated to Collection, Reclamation, Lab, Pump Stations and Administration.

Novato Sanitary District
2012-14 Final Budget
Operating Budget - Laboratory/Monitoring

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
64010 · Salaries & Wages	245,579	214,893	185,845	201,512	201,512	210,009
64020 · Employee Benefits	139,840	98,315	70,172	79,328	79,328	83,472
64060 · Gasoline & Oil	2,000	4,000	2,539	2,500	2,500	3,000
64085 · Safety(1)	0	0	0	1,000	1,000	1,000
64091 · Software Maintenance	13,000	13,000	14,550	23,000	23,000	13,000
64100 · Operating Supplies	40,000	40,000	21,420	25,000	25,000	30,000
64150 · Repairs & Maintenance	11,000	11,000	8,864	10,000	10,000	10,000
64160 · Research & Monitoring	248,000	275,400	256,652	290,000	290,000	355,000
64170 · Pollution Prev/Public Ed	25,000	32,000	36,073	40,000	40,000	42,000
64201 · Permits & Fees	3,000	3,000	2,811	3,000	3,000	3,000
64290 · Vehicle Replacement	1,400	1,400	1,400	1,400	1,400	1,400
	728,819	**693,008**	**600,327**	**676,740**	**676,740**	**751,881**

Comments:

(1) New account for safety related expenses allocated to Collection, Reclamation, Lab, Pump Stations and Administration.

Novato Sanitary District
2012-2014 Final Budget
Operating Budget - Pump Stations

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
65010 · Salaries & Wages	290,611	328,917	257,354	331,138	331,138	354,996
65020 · Employee Benefits	176,964	145,231	111,391	164,724	164,724	174,989
65060 · Gasoline & Oil	3,000	2,500	2,879	4,000	4,000	4,000
65085 · Safety(1)	0	0	0	2,000	2,000	3,000
65091 · Software Maintenance	10,000	10,000	0	10,000	10,000	12,000
65100 · Operating Supplies	9,000	9,000	7,695	9,000	9,000	10,000
65101 · Operating Chemicals	4,000	97,000	96,605	50,000	50,000	45,000
65150 · Repairs & Maintnnce	90,000	135,000	136,820	115,000	115,000	115,000
65152 · Small Tools	2,500	2,500	1,897	2,000	2,000	2,000
65153 · Outside Services(2)	0	0	0	70,000	70,000	20,000
65191 · Gas & Electricity	95,000	100,000	93,292	90,000	90,000	90,000
65192 · Water	10,000	5,000	5,658	5,000	5,000	5,000
65193 · Telephone	21,000	21,000	22,184	20,000	20,000	20,000
65201 · Permits & Fees	2,000	21,000	3,691	42,000	42,000	5,000
65290 · Vehicle Replacement	10,000	10,000	10,000	10,000	10,000	10,000
	724,075	**887,148**	**749,465**	**924,862**	**924,862**	**870,985**

Comments:

(1) New account for safety related expenses allocated to Collection, Reclamation, Lab, Pump Stations and Administration.

(2) Previously included in Admin budget in O/S Contractual Services, specifically for Pump Stations therefore reclassified to this department.

Novato Sanitary District
2012-2014 Final Budget
Operating Budget - Administration

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
66010 · Salaries & Wages	935,135	961,482	968,191	994,388	994,388	1,087,327
66020 · Employee Benefits	531,153	443,233	372,299	399,308	399,308	440,575
66020 · Employee Benefits - Side Fund	0	1,205,537	1,205,537	0	0	0
66021 · Retiree Health Benefits(1)	224,068	230,485	214,864	195,847	195,847	211,514
66030 · Director's Fees	50,000	40,000	44,100	45,000	45,000	45,000
66040 · Election Expense	0	60,000	39,456	0	0	45,000
66060 · Gasoline & Oil	5,000	5,000	5,387	8,000	8,000	9,000
66070 · Insurance	154,000	195,600	142,355	145,000	145,000	150,000
66071 · Insurance Claim Expense	25,000	55,600	50,892	45,000	45,000	45,000
66075 · Agency Dues	40,000	40,000	38,849	42,000	42,000	45,000
66080 · Memberships	6,000	7,200	6,679	7,500	7,500	8,000
66085 · Safety(2)	0	0	0	1,000	1,000	1,000
66090 · Office Expense	30,000	28,000	26,850	30,000	30,000	31,000
66100 · Engineering Supplies	8,000	10,000	9,144	9,000	9,000	10,000
66121 · Accounting & Auditing	24,500	22,000	19,685	21,000	21,000	22,000
66122 · Attorney Fees	300,000	190,000	125,870	160,000	160,000	165,000
66123 · O/S Contractual	220,000	228,760	218,348	220,000	220,000	220,000
66124 · IT/Misc Electrical	40,000	40,000	31,512	50,000	50,000	40,000
66130 · Printing & Publications	17,000	17,000	15,194	15,000	15,000	18,000
66150 · Repairs & Maintenance	40,000	40,000	38,528	40,000	40,000	40,000
66170 · Travel, Meetings & Training	40,000	45,000	42,636	50,000	50,000	53,000
66193 · Telephone	14,000	14,000	12,532	15,000	15,000	15,000
66202 · County Fees-Property Taxes	30,000	31,000	23,796	31,000	31,000	33,000
66203 · County Fees-Sewer Ser Chg	30,000	29,000	28,746	30,000	30,000	32,000
66250 · Service Charge Sys Exp	9,000	9,000	9,579	5,000	5,000	5,000
66290 · Vehicle Replacement	5,600	5,600	5,600	5,600	5,600	5,600
	2,778,456	**3,953,497**	**3,696,631**	**2,564,643**	**2,564,643**	**2,777,016**

Comments:

(1) Based on increase of 5% a year from actual expenditures in 2011/12

(2) New account for safety related expenses allocated to Collection, Reclamation, Lab, Pump Stations and Administration.

Novato Sanitary District
Final Operating Budget 2012-14
PERSONNEL DETAIL

Number	Position	Dept.	Pay Range	Total 2012-13 Salaries	Salaries
				2012/13	2013/14
1.00	Manager-Engineer	A/E		178,728	182,660
1.00	Deputy - Manager Engineer	A/E	MC122.5	157,476	160,940
1.50	Senior Engineer	.75AE/.25PS	MC116.5	168,270	228,918
1.00	Field Services Superintendent	.5AE/.25PS/.25Rec	MC117	120,384	123,032
0.46	Administrative Services Specialist	A/E	MC117.5	58,666	59,956
0.50	Administrative Assistant	A/E	MC103.5	25,638	53,832
1.00	Administrative Secretary	A/E	MC106	70,380	71,928
1.00	Finance Officer	A/E	MC112.5	96,684	98,811
1.00	Staff Engineer	.5A/E/.5CS	47	89,832	91,808
1.00	Construction Inspector	A/E	44.5	79,536	81,286
1.00	Information System Specialist II	.5A/E/.5CS	43.5	75,744	77,410
1.00	Environmental Services Supervisor	L/M	MC115.5	92,076	98,724
1.00	ECA II	L/M	45.5	75,744	77,410
0.00	Instrument Technician/Electrician	.75AE/.25PS	46.5	-	-
1.00	Collection System Superintendent	.67CS/.33PS	MC115	109,188	111,590
1.00	Collection System Leadworker	.67CS/.33PS	47	89,832	91,808
1.00	Collection System Worker III	.67CS/.33PS	43.5	68,712	70,224
4.00	Collection System Worker II(1)	.67CS/.33PS	40.5	255,504	374,346
2.50	Collection System Worker I(1)	.67CS/.33PS	38.5	127,557	54,968
0.00	Engineering Intern	A/E	N/A	-	-
1.00	Collection System Temp	C/S	N/A	30,000	-
0.00	Lab. Intern (NMWD)	L/M	N/A	28,000	28,000
0.40	Hourly Electrician	.75AE/.25PS	N/A	40,000	40,000
	Allowance for Overtime	C/S		30,000	30,000
	Allowance for Overtime	A/E		7,500	7,500
	Allowance for Overtime	L/M		2,000	2,000
	Allowance for Standby Duty Pay	C/S		20,000	20,000
				-	
	CCSR	PS		1,500	1,500
	Subtotal			2,098,951	2,238,654
	Allowance for Possible COLA - across the board	2.20%		42,679	46,412
				2,141,630	2,285,066

23.36				2012/13		2013/14	
	Administration and Engineering (A/E)		=	994,388		1,087,327	
	Laboratory and Monitoring (L/M)		=	201,512		210,009	
	Collection System	67%	=	583,833		601,299	
	Pump Stations	33%	=	331,138		354,996	
	Reclamation Facilities		=	30,758		31,435	
	Total/Check			2,141,630		2,285,066	

Novato Sanitary District
2012-2014 Final Budget
Operating Budget -Hazardous Household Waste

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012-13	Preliminary Budget 2013/14
67400 · Management Services	91,764	105,064	84,948	106,764	106,764	109,967
67500 · Household Hazardous Wst	211,000	218,000	206,199	202,500	202,500	208,575
67520 · Permanent HHW Facility	9,000	9,000	1,809	5,000	5,000	5,150
67530 · Used Oil /Beverage Program	16,574	13,537	3,073	22,537	22,537	23,213
67540·Educ./Publicity/Ads Outreach(1)	-	0	0	8,500	8,500	8,755
67600 · Other	5,000	5,000	4,863	5,000	5,000	5,150
67610 · City AB 939 Admin Service	10,000	10,000	10,000	10,000	10,000	10,000
	343,338	**360,601**	**310,890**	**360,301**	**360,301**	**370,810**

Comments:

(1) New account for Education/Publicity/Ads/Outreach - 67540, previously included with Acct 67520

Novato Sanitary District
2012-2014 Final Budget
Operating Budget - Recycled Water

			Preliminary	Final	Preliminary
		Est Exp	Budget	Budget	Budget
	Budget 11/12	2011-12	2012-13	2012/13	2013/14
(1)					
68010 · O & M Services	0	0	50,000	50,000	50,000
68100 · Operating Supplies	0	0	1,000	1,000	2,000
68101 · Operating Chemicals	0	0	15,000	15,000	20,000
68150 · Repairs & Maintnnce	0	0	5,000	5,000	25,000
68191 · Gas & Electricity	0	0	3,000	3,000	10,000
68201 · Permits & Fees	0	0	1,000	1,000	1,000
68290 · Vehicle Replacement	0	0	0	0	0
	0	**0**	**75,000**	**75,000**	**108,000**

Comments:

(1) New account series to track new operation of our Recycled Water Facility.

SECTION IV

VEHICLE REPLACEMENT BUDGET

Novato Sanitary District
2012-14 Final Budget
Vehicle Replacement Fund

	2012-13 Budget	
	Prelim	Final
FUND BALANCE 6/30/11	**248,372**	**248,372**
Sale of Vehicle/s:		
1995 Ford Van	1,209	1,209
1992 Ford diesel truck with crane	-	-
Contributions from Operating Fund Accounts 2011-12:	59,000	59,000
Purchase of Vehicles:		
1 Regular size pick up truck	(18,786)	(18,786)
FUND BALANCE 6/30/12	**289,795**	**289,795**
Sale of Vehicles:		
2004 Chevy Truck	5,000	5,000
2006 Chevy Truck	5,000	5,000
1998 Rodder	25,000	25,000
Anticipated Contributions from Operating Accounts 2012-13	64,000	64,000
Planned Purchase of Vehicles:		
1 Rodder (12/13)	(150,000)	(150,000)
ANTICIPATED FUND BALANCE 6/30/13	**238,795**	**238,795**

SECTION V

SELF INSURANCE FUND BUDGET

Novato Sanitary District
2012-14 Final Budget
Self Insurance Fund

	2012-13 Budget	
	Prelim	Final
FUND BALANCE 6/30/11	**164,016**	**164,016**
Interest Earned on Fund Balance	750	-
Transfer to Operating Fund to Reimburse Fund for Claims	(50,892)	(50,892)
Transfer from Operating Fund to Self-Insurance Reserve Fund	50,892	50,892
FUND BALANCE 6/30/12	**164,766**	**164,016**
Anticipated Interest Earned on Fund Balance	750	500
Anticipated Transfer to Operating Fund from Insurance Fund for Claims	(45,000)	(45,000)
Transfer from Operating Fund to Self-Insurance Reserve Fund	45,000	45,000
ANTICIPATED FUND BALANCE 6/30/13	**165,516**	**164,516**

Comments:

1) The District has general and automobile liability coverage in the amount of $10,000,000 with a $25,000 deductible through the California Sanitation Risk Management Authority (CSRMA). Coverage for Errors and Omissions is included in the CSRMA pooled liability insurance program.

2) The District also has a property insurance policy through CSRMA to cover buildings, structures and equipment. This policy provides $40,000,000 coverage with a $25,000 deductible.

3) The self-insurance reserve fund has been set up to cover possible District claims falling within the deductible amounts on these policies.

4) Beginning FY 2011-12 this account includes payment of Unemployment Insurance claims.

SECTION VI

RATE STABILIZATION, EMERGENCY REPAIR AND SOUTHGATE RESERVE FUNDS

Novato Sanitary District
2012-14 Final Budget
Rate Stabilization and Emergency Repair Reserve Funds

	2012-13 Budget	
	Prelim	Final
RATE STABILIZATION FUND**		
FUND BALANCE 6/30/11	600,000	600,000
Contribution to/from Operating Fund to Rate Stabilization Fund 2011-12	0	0
FUND BALANCE 6/30/12	600,000	600,000
Anticipated Contribution to/from Operating Fund to Rate Stabilization Account 2011-12	0	0
ANTICIPATED FUND BALANCE 6/30/13	600,000	600,000
EMERGENCY REPAIR RESERVE FUND**		
FUND BALANCE 6/30/11	600000	600000
Contribution to/from Operating Fund to Emergency Repair Reserve Fund 2011-12	0	0
FUND BALANCE 6/30/12	600,000	600,000
Anticipated Contribution from Operating Fund to Rate Stabilization Account 2012-13	0	0
ANTICIPATED FUND BALANCE 6/30/13	600,000	600,000

** In October 2001, the District Board adopted an Operating Reserve Fund Policy that included establishing a Service Charge Rate Stabilization Fund in the amount of $600,000 and an Emergency Repair Reserve Fund in the amount of $600,000.

Novato Sanitary District
2012-14 Final Budget
Southgate Reserve Fund

		2012-13 Budget	
		Prelim	Final
	SOUTHGATE RESERVE FUND**		
	FUND BALANCE 6/30/11	679,989	679,989
	Contribution to/from Operating Fund to Southgate Reserve Fund 2011-12	0	0
	FUND BALANCE 6/30/12	679,989	679,989
	Anticipated Contribution to/from Operating Fund to Southgate Reserve Fund 2011-12	0	0
	ANTICIPATED FUND BALANCE 6/30/13	679,989	679,989
**	In March 2003, as part of the Settlement Agreement for acceptance of the Southgate Subdivision sewers, Southgate Partners deposited the sum of $890,989 with the District for improvement and continued maintenance and operation of the sewer improvements.		

SECTION VII

CAPITAL IMPROVEMENT BUDGET

Novato Sanitary District
2012-14 Final Budget
Revenue Summary - Capital Improvement Budget

	Budget 10/11	Budget 11/12	Actual Rev 2011-12	Preliminary Budget 2012-13	Final Budget 2012/13	Preliminary Budget 2013/14
Capital Improvement Income						
51010 · Sewer Service Charges(1)	5,407,578	5,472,815	5,467,973	6,264,300	6,149,430	6,698,720
51015 · Property Taxes	1,875,000	1,775,000	1,795,489	1,700,000	1,780,000	1,780,000
51020 · Connection Charges(2)	162,200	681,600	880,541	447,500	447,500	469,500
51030 · Collector Sewer Charges	4,000	4,000	0	2,000	2,000	2,000
51040 · Special Equalization Chrg	12,000	6,000	77	4,000	4,000	4,000
51060 · Interest	50,000	25,000	21,652	15,000	20,000	15,000
51062 · ARRA/IRWM Grant Revenue	859,480	1,609,000	832,441	601,370	601,370	250,000
51070 · Other Revenue(3)		20,000	229,055	467,355	300,440	20,000
Total Capital Improvement Income	**8,370,258**	**9,593,415**	**9,227,228**	**9,501,525**	**9,304,740**	**9,239,220**

Comments:

(1) Service charge revenue is based on proposed rate increase and County estimate.
Note: Total charge is $495 split between operations($285) and capital ($210) for 2012/13
Total charge is $514 split between operations($290) and capital ($224) for 2013/14.

(2) Connection Charges projected to be 50 new connections at $8,940 each and 50 new connections the following year at $9,390 each.

(3) Includes reimbursement from NBWRA for NMWD's previous participation of $280,440.

Units - 29,283

Novato Sanitary District
Capital Improvement Budget
2012-2014 Final Budget

	Budget 10/11	Budget 11/12	Actual Exp 2011-12	Preliminary Budget 2012-13	Final Budget 2012-13	Preliminary Budget 2013/14
72110 · Drainage PS 3&7 Outfall Rehab	50,000	0	839	50,000	50,000	150,000
72111 · SCADA Phase II	20,000	20,000	17,179	10,000	10,000	10,000
72403 · Pump Station Rehabilitation	3,700,000	1,500,000	1,114,075	1,350,000	1,600,000	1,250,000
72508 · N. Bay Water Recycling Auth	90,000	50,000	50,631	380,440	380,440	100,000
72509 · NTP Soil & Groundwater Inv	5,000	5,000	0	0	0	0
72604 · Laboratory Improvements	30,000	60,000	2,033	10,000	10,000	10,000
72607 · WWTP Upgrade-Contract A1	50,000	15,000	13,138	10,000	10,000	0
72608 · WWTP Upgrade - Contract A2	5,000	10,000	0	0	0	0
72609 · WWTP Upgrade - Contract B	6,000,000	700,000	561,206	50,000	50,000	10,000
72611 · Bayside Sewer	10,000	10,000	305	3,000	3,000	3,000
72612 · Southgate Sewer-	3,000	3,000	458	1,000	1,000	1,000
72706 · Collection System Improv	3,000,000	2,000,000	932,175	1,400,000	1,220,000	2,200,000
72706-1 ·Lateral Replacemnt Program(1)	-	0	0	30,000	30,000	30,000
72707 · Hamilton Wetlands/Outfall Monit	5,000	5,000	348	0	0	2,000
72708 · Cogeneration	50,000	50,000	534	50,000	50,000	700,000
72801 · Annual Minor Projects	25,000	25,000	1,040	0	0	10,000
72802 · Annual Sewer Adj. for City Proj	25,000	25,000	7,458	25,000	25,000	20,000
72803 · Annual Collection Sys Repairs	270,000	200,000	241,841	200,000	200,000	200,000
72804 · Annual Reclamation Fac Imp	200,000	400,000	380,791	350,000	300,000	250,000
72805 · Annual Trtmt Plnt/Pump St Impr	200,000	150,000	189,801	270,000	500,000	150,000
72808 · Strategic Plan Update	50,000	50,000	16,849	10,000	10,000	0
73001 · WWTP Upgrade - Contract C (Solids handling)	787,500	800,000	246,645	2,500,000	2,500,000	700,000
73002 · WWTP Up-Cont D-Rec(ARRA-25%)	2,951,100	6,500,000	5,914,766	1,250,000	900,000	20,000
73003 · Admin Building Upgrade	250,000	50,000	17,567	250,000	250,000	1,500,000
78500 · Interest - SRF/COP Bond	170,972	6,064,321	5,949,349	2,785,972	2,785,972	2,681,858
78500 · Principal	5,233,207		0	4,138,057	4,138,057	4,248,170
Totals	**23,180,779**	**18,692,321**	**15,659,028**	**15,123,469**	**15,023,469**	**14,246,028**

Comments:

(1) Lateral Replacement Program included in 76706-Collection System Improvements in prior budget.

	12/13	13/14
(2) COP Expenditures	7,654,000	7,154,000

Novato Sanitary District
Final Budget 2012-14
Capital Improvement and Working Capital Reserve Funds

	2012-13 Budget	
	Prelim	Final
CAPITAL IMPROVEMENT FUND		
Fund Balance 6/30/11	0	0
Revenues 2011-12	9,227,228	9,227,228
Expenditures 2011-12	(9,709,680)	(9,709,680)
Debt Service Payments -SRF Loan and COP Bond	(5,949,349)	(5,949,349)
Transfer from Capital Improvement Reserve Fund 2011-12	6,431,801	6,431,801
Fund Balance 6/30/12	0	0
Anticipated Revenues 2012-13	9,501,525	9,304,740
Anticipated Expenditures 2012-13	(8,199,440)	(8,099,440)
Debt Service Payments		
SRF Loan and COP Bond	(6,924,029)	(6,924,029)
Anticipated Transfer to/from Capital Improvement		
Reserve Fund	5,621,944	5,718,729
Anticipated Fund Balance 6/30/13	0	0
WORKING CAPITAL RESERVE FUND		
Fund Balance 6/30/11	(4,293,777)	(4,293,777)
Transfer from Capital Improvement Fund		
Fund 2011-12	(6,431,801)	(6,431,801)
Transfers from COP Bond Proceeds	21,899,891	21,899,891
Transfers from SRF Loan Proceeds	2,039,575	2,039,575
Transfer to Rate Stabilization Reserve	0	0
Transfer to Emergency Repair Reserve	0	0
Fund Balance 6/30/12	13,213,888	13,213,888
Anticipated Transfer to Capital Improvement		
Fund 2012-13	(5,621,944)	(5,718,729)
Anticipated Fund Balance 6/30/13	7,591,944	7,495,159

SECTION VIII

DEBT SERVICE FUNDS

Novato Sanitary District
2012-14 Preliminary Budget
State Revolving Fund Loan
and
COP Bond Fund

	2012-13 Budget	
	Prelim	Final
State Revolving Fund Loan		
FUND BALANCE 6/30/11	79,199,108	79,199,108
SRF Deposits 2011-12	2,039,975	2,039,975
Principal Payment 2011-12	(3,274,949)	(3,274,949)
Interest payments 2011-12	(1,963,382)	(1,963,382)
Transfer from Capital Improvement Fund 2011-12	1,963,382	1,963,382
FUND BALANCE 6/30/12	77,964,134	77,964,134
Principal Payment 2012-13	(3,338,056)	(3,338,056)
Interest payments 2012-13	(1,900,274)	(1,900,274)
Transfer from Capital Improvement Fund 2012-13	1,900,274	1,900,274
ANTICIPATED FUND BALANCE 6/30/13	74,626,078	74,626,078
COP Bond Financing Issued October 2011		
FUND BALANCE 6/30/11	0	
COP Proceeds from Bond Issuance	21,899,891	21,899,891
Interest payments 2011-12	(268,170)	(268,170)
Transfer from Capital Improvement Fund 2011-12	268,170	268,170
FUND BALANCE 6/30/12	21,899,891	21,899,891
Principal Payment 2012-13	(800,000)	(800,000)
Interest payments 2012-13	(885,698)	(885,698)
Transfer from Capital Improvement Fund 2012-13	885,698	885,698
ANTICIPATED FUND BALANCE 6/30/13	21,099,892	21,099,892