

NOVATO SANITARY DISTRICT

FINAL BUDGET

FOR

FISCAL YEAR 2009-10

Adopted September 2009

**NOVATO SANITARY DISTRICT
2009-10 BUDGET
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SECTION I

LETTER OF TRANSMITTAL

AND

OPERATING FUND SUMMARY SCHEDULES

September 11, 2009

Honorable Board of Directors
Novato Sanitary District
Novato, California 94945

Dear Board Members:

The proposed District Budget for the 2009-10 fiscal year is attached for your consideration and approval. This letter provides an analysis of the budget and an overview of the various budget funds.

OVERVIEW OF FISCAL YEAR 2009-10 DISTRICT ACTIVITIES

The issues that affect the Operating Budget include:

- Planned transition of the treatment facilities to contract operations;
- State property tax shift and reallocation of sewer service charges between Operating and Capital budgets.

The issues that significantly affect the Capital Budget include:

- Long-term financing plan;
- On-going major capital projects, including Treatment Facilities Upgrade Project, Pump Station Rehabilitation, and Collection System Repair Project.

BUDGET STRUCTURE

The Budget is divided into six main parts: Operating, Vehicle Replacement Reserve, Self-Insurance Reserve, Other Reserve Funds, Capital Improvements, and Loan Repayment. The Operating portion of the budget is now financed primarily from operating service charges. As of 2009-10 we have allocated a larger percentage of sewer service charges to the Operating Budget and assigned all of the estimated property tax revenue to the Capital Budget. This year's annual sewer service charge is \$462 per service unit, with \$281 (61%) allocated to Operating, and \$181 (39%) allocated to Capital. Sewer service charges, property tax revenue, connection charge revenues, and interest earnings finance the Capital Improvement Program and line of credit interest payments. The Vehicle Replacement Fund is supported by annual charges to the various operating divisions in order to spread vehicle costs in rough proportion to usage. Transfers from the Operating Fund and interest earnings fund the Self-Insurance Reserve Fund.

OPERATING BUDGET

The proposed 2009-10 Expenditure Budget is \$520,894 (6.10%) more than last year's budget. A detailed summary of all budget items showing the amount and percentage over or under last year's expenditures is included as part of the budget. The most significant differences in expected expenditures between this budget and that of last year are:

- (1) **New cost center for Contract Operations (\$2,121,000).** The cost of contract operations of the District's upgraded treatment facilities is included for nine months of the fiscal year – October 2009 through June 2010. This includes salaries and benefits for the 7 District employees transitioning to the contract operator.
- (2) **A decrease in Employee Salaries (-\$464,240).** The decrease is primarily the result of employees transitioning to contract operations and the elimination of two Maintenance Worker positions. No cost-of-living adjustments for fiscal year 2009-10 have been awarded although the budget includes a possible COLA increase across-the-board of 0.3% (April/April CPI), and a possible COLA of 3.2% for the represented group pending union negotiations.
- (3) **Decrease in Employee Benefits (\$-190,413).** Again, this decrease is due to the transition of several employees to contract operations. The District's PERS retirement plan contribution increased on July 1st from 12.431% to 13.033% of salary in addition to 7% Employer Paid Member Contributions. In addition, the 2009-10 budget anticipates a modest increase in medical, dental, and vision benefit costs.
- (4) **Retiree Health Benefits (\$255,255).** This year's budget includes funding of retiree health benefits under GASB 45. This legislation requires agencies to report the cost of providing other post-employment benefits (OPEB) such as retiree health benefits. \$180,000 is allocated for retiree health benefits for 2009-10, and an additional \$251,000 for funding future costs.
- (5) **Election Expense (\$40,000).** Three Board member terms expire this year and there was no election last year.
- (6) **Decrease in Operating Chemicals (-\$276,500).** The purchase of chemicals for the treatment facilities is included in the cost of contract operations.
- (7) **Attorney Fees (\$117,098).** Attorney fees are increased to cover legal defense costs associated with the EPA investigation.
- (8) **Outside Consulting (\$130,000).** This year's budget includes \$25,000 for public outreach; an additional \$40,000 for NPDES permit assistance; and an additional \$65,000 for joint safety coordinator and training programs.
- (9) **Decrease in Repairs and Maintenance (-\$240,000).** Wastewater treatment facility preventive maintenance is included in the fixed fee for contract operations. The budget includes an allowance for corrective maintenance of the older, existing treatment facilities. Corrective maintenance up to \$10,000 is included in the contract operations fixed fee for the new facility. There is also an allowance in the budget for repairs and maintenance of the collection system, pump stations, and reclamation facilities.

- (10) **Decrease in Unusual Equipment Maintenance (-\$105,000).** The only unusual equipment maintenance expenditure in this year's budget is \$75,000 for irrigation valve replacement and pump repairs at the Reclamation facility.
- (11) **Decrease in Pollution Prevention/Public Education (-\$80,500).** Last year's budget included an expenditure for a private lateral replacement program as part of the River Watch agreement. These funds were expensed in 2008-09 and are not included in this year's budget.
- (12) **Decrease in Gas and Electricity (-\$518,000).** The contract operator will assume the bulk of energy costs for the treatment facilities.
- (13) **Decrease in Capital Outlay (-\$124,500).** This decrease is because no capital outlay expenditures will be needed for the upgraded treatment facilities.

Figure 1 shows the breakdown of proposed operating expenditures by cost center. The relative share for treatment facilities, laboratory, and reclamation facilities has decreased slightly, and that of pump stations, collection system, administration and engineering has increased.

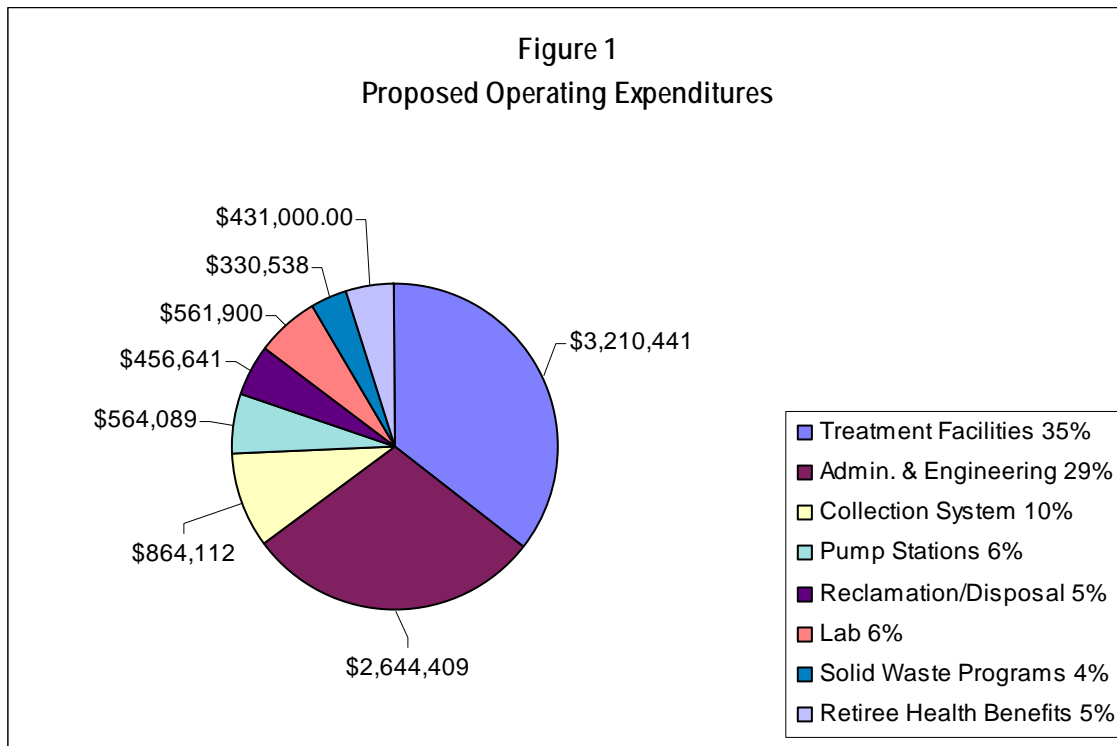


Figure 2 below shows proposed expenditures by expenditure type. Figure 2 shows that 45.14% of the budget involves personnel-related costs, including salaries, benefits, training, and memberships. The great majority of the remaining areas of expense are related either directly or indirectly to required maintenance and operation of facilities necessary to meet water quality and solid waste program mandates.

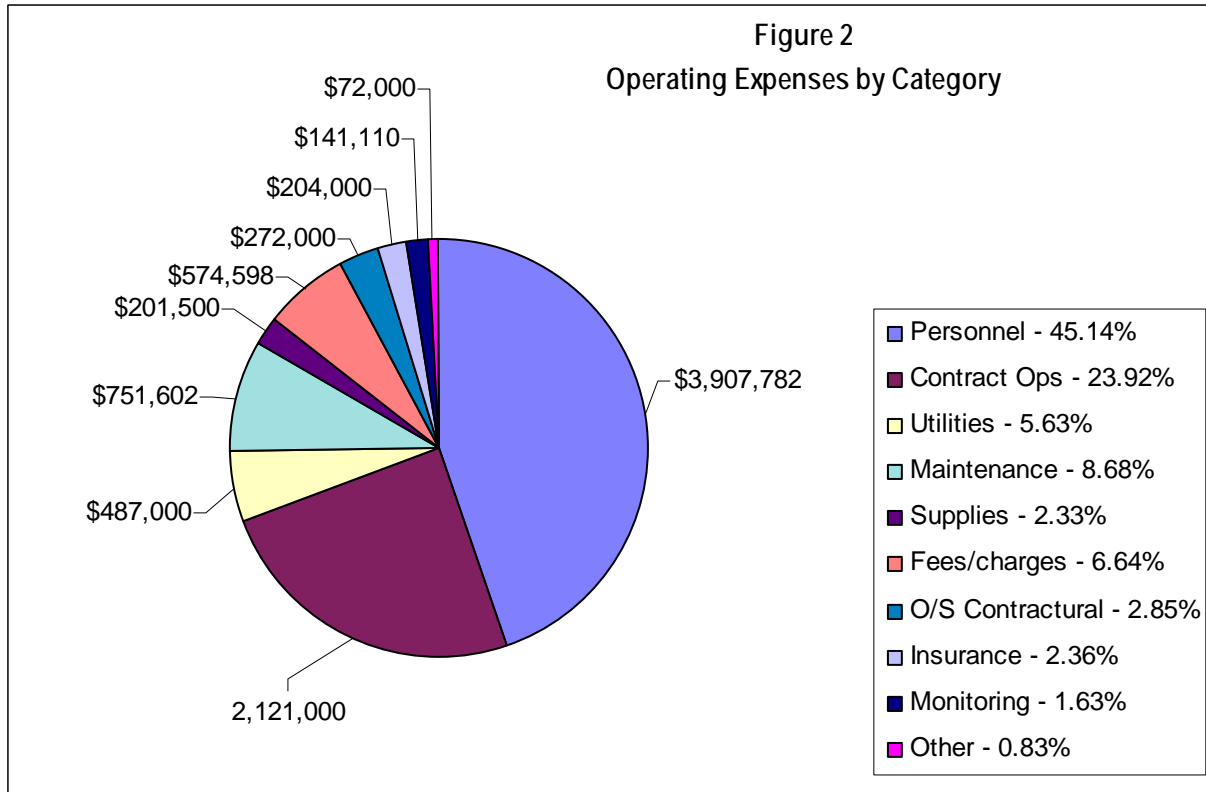
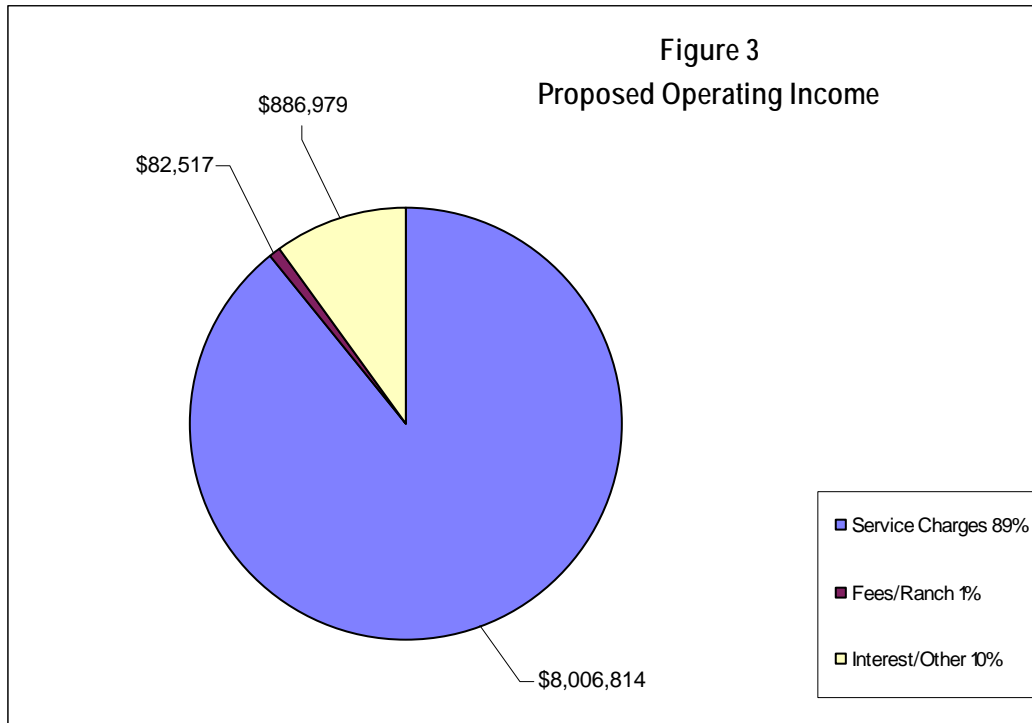


Figure 3 shows the breakdown of proposed operating revenues by source. Property taxes have been shifted to the Capital budget. The chart below reflects the proposed increase in sewer service charges.



OPERATING SERVICE CHARGE RATE

The proposed Operating Budget will require an operating service charge of \$281.00 per service unit. This represents an increase of \$82.00 per service unit, or 41% over the previous rate of \$199 per service unit. It should be noted that the District's sewer service charge rate is increasing by \$40 for fiscal year 2009-10, with the total increase allocated to the Operating Budget. In addition, \$42 per service unit has been transferred from the Capital Revenue Budget to the Operating Revenue Budget to offset the anticipated reduction in property tax revenue. All property tax revenue for 2009-10 will be allocated to the Capital Revenue Budget.

Table 1 shows the estimated fund flow based on actual 2008-09 expenditures and projected expenditures for 2009-10 through 2012-13.

Table 1
PROJECTED FLOW OF OPERATING FUNDS TO FY 2012-13

ANTICIPATED FLOW OF FUNDS	Actual 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12	Projected 2012-13
OPERATING					
Beginning Balance	6,611,702	7,829,747	8,939,779	9,921,692	10,317,732
Revenues Other Than SC/PT	1,018,708	1,018,708	1,049,269	1,080,747	1,113,170
Property Taxes	2,527,507	0	0	0	0
Service Charge Revenue	5,492,949	7,912,443	7,937,733	7,963,023	7,988,313
Fund Transfers					
From Self Insurance Reserve	77,909	77,909	77,909	77,909	77,909
To Self Insurance Reserve	(100,000)	(100,000)	(50,000)	(50,000)	(50,000)
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	(7,799,028)	(7,799,028)	(8,032,999)	(8,675,639)	(8,935,908)
Ending Bal - Working Capital	7,829,747	8,939,779	9,921,692	10,317,732	10,511,216
Vehicle Replacement	231,565	276,565	295,565	315,565	335,565
Self-Insurance Reserve	151,915	103,415	95,283	86,989	78,529
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	678,989	678,989	678,989	678,989	678,989
Total Operating Reserves	10,092,216	10,519,759	12,191,529	12,599,275	12,804,299
Operating Service Units	26,380	28,495	28,585	28,675	28,765
Operating Service Charge Rates	199	281	281	281	281
 Increase over Previous Year	 8.0%	 41.2%	 0.0%	 0.0%	 0.0%

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.

HISTORY OF OPERATING TAX AND SERVICE CHARGE LEVIES

Table 2 below summarizes information on the District's operating property tax and service charge levies for the past fifteen years.

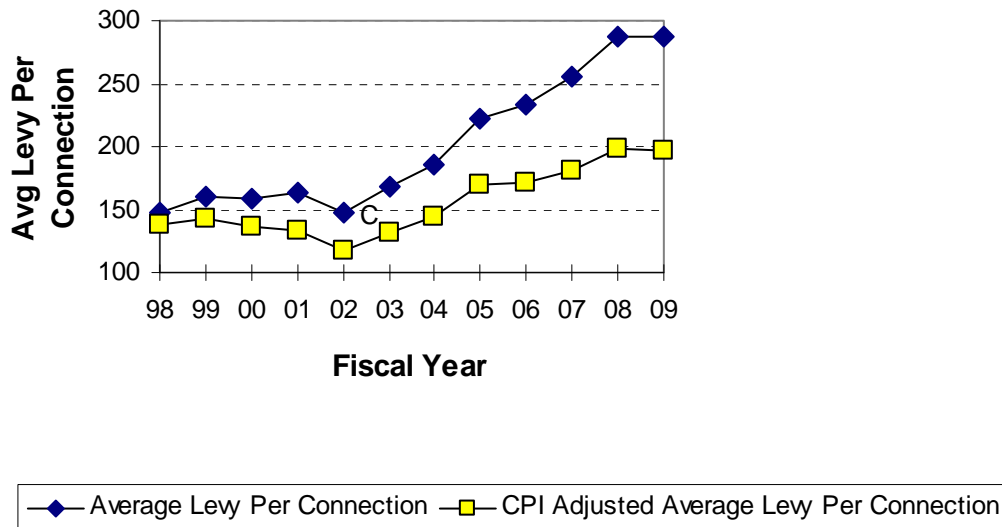
Table 2
HISTORY OF OPERATING CHARGES AND PROPERTY TAX LEVIES

Fiscal Year	Property Taxes	Operating Service Unit Charges	County Collection Fee	Total Levy	Equivalent Connections July 1	Average Levy Per Connection	Increase or Decrease
1995-96	905,622	2,401,940	26,000	3,333,562	22,350	149.15	-0.4%
1996-97	906,030	2,404,215	26,000	3,336,245	21,931	152.12	2.0%
1997-98	892,507	2,334,401	26,000	3,252,908	22,044	147.56	-3.0%
1998-99	962,326	2,393,993	26,000	3,382,319	21,153	159.90	8.4%
1999-00	1,061,125	2,356,051	26,000	3,443,176	21,728	158.47	-0.9%
2000-01	1,246,000	2,375,000	27,000	3,648,000	22,262	163.87	3.4%
2001-02	1,308,000	2,422,500	27,700	3,758,200	25,500	147.38	-10.1%
2002-03	1,375,000	2,965,140	27,700	4,367,840	26,010	167.93	13.9%
2003-04	1,430,000	3,376,107	30,529	4,836,636	26,010	185.95	10.7%
2004-05	1,558,715	4,236,000	30,529	5,825,244	26,150	222.76	19.8%
2005-06	1,621,000	4,471,000	30,529	6,122,529	26,300	232.80	4.5%
2006-07	1,678,180	5,006,204	30,529	6,714,913	26,345	254.88	9.5%
2007-08	1,995,120	5,532,446	30,529	7,558,095	26,380	286.51	12.4%
2008-09	2,527,507	5,492,949	47,200	8,067,656	28,076	287.35	0.3%
Proposed 2009-10	0	8,006,814	47,200	8,054,014	28,494	282.66	-1.6%

The proposed 2009-10 levy per connection represents an increase of 89% in the past fifteen years. During the same period of time, the cost of living index increased 45.45%.

Figure 4 illustrates this point. In the figure, the adjusted average levy per connection – the lower line in the graph – factors out inflation as indicated by the San Francisco Bay Area Consumer Price Index (All-Urban Index) since 1995.

**Figure 4
Operating Levy History**



CAPITAL SERVICE CHARGE RATE

\$42 of the capital service charge rate is being allocated to the Operating Budget, thereby reducing the Capital service charge rate from \$223 to \$181 per year per service unit. This transfer will be offset by the reallocation of property taxes from Operating to Capital revenue. The capital revenues will be used to fund ongoing capital projects, and debt service for the Facility upgrade project.

TOTAL ANNUAL SERVICE CHARGE RATE

The budget, as proposed, will require an operating service charge rate of \$281.00 and a capital service charge rate of \$181.00, for a total annual rate of \$462.00 per service unit.

In addition, it is anticipated that the County will establish a charge of \$2.00 per account billed to collect the service charges on the tax roll. This means that the typical single family residential homeowner in the District will pay a total annual charge of \$464.00 for sewer service.

Under District regulations, non-residential sewer users will pay a sewer service charge based on building size, water use, and strength factors of the wastewater discharged.

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 2009-10 fiscal year.

**COMPARISON OF ANNUAL SEWER SERVICE CHARGES
LEVIED BY NEIGHBORING AGENCIES**

AGENCY	RATE (\$/yr)
City of Santa Rosa	855
City of Petaluma	755
Sausalito-Marin City San Dist	603
San Rafael Sanitation Dist	594
City of Larkspur	572
City of Rohnert Park	539
Sanitary District No. 1	504
City of Corte Madera	498
Las Gallinas Valley San Dist	493
NOVATO SANITARY DISTRICT	462
Vallejo San & Flood Dist	434
Napa Sanitation Dist	421
Central Contra Costa San Dist	311
City of Mill Valley	297

VEHICLE REPLACEMENT BUDGET

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, 2009 is \$231,565. The proposed 2009-10 additions from the Operating Budget accounts total \$80,200. This year it is planned to dispose of two vehicles and to purchase a crane truck as detailed on Page 16 of the budget at a net cost estimated at \$40,000. Revenue from the sale of the surplus vehicles is anticipated to total \$4,800. This will result in an anticipated fund balance on June 30, 2010 of about \$276,565.

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 has elected to reduce the deductibles in its comprehensive liability policy from \$100,000 to \$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.

The June 30, 2009 fund balance is \$151,915. This includes a transfer of \$100,000 from the Operating Fund to cover losses in 2008-09. 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, 2010 balance is \$103,415.

RATE STABILIZATION AND EMERGENCY REPAIRS RESERVE FUNDS

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

CAPITAL IMPROVEMENT BUDGET

The proposed Capital Improvement Budget for 2009-10 totals \$24,618,270 or \$19,352,000 less than last year. The decrease is due to the fact that the wastewater facility upgrade project is nearing completion.

ZION'S BANK CREDIT LINE and STATE REVOLVING FUND

The Capital Improvement Budget includes an annual interest payment of \$1,302,270 for the Zion's Bank Credit Line. Payment of the State Revolving Fund does not begin until one year after completion of the Facilities Upgrade Project.

RECLAMATION FACILITY RANCH OPERATION

In April 2009, the District entered into a new 10-year lease for Sites #2, #3 and #7 to Ron and Dee Hayden Ranches. The lease revenues during FY 2009-10 will be calculated based on the quantity and price of hay and the total number of Animal Unit Months (AUM's).

AB 939 SOLID WASTE PROGRAMS

The District and the City of Novato have set up a joint City/District Solid Waste Committee to make recommendations to both agencies on State mandated AB 939 Solid Waste Programs. The cost of the programs is financed by the District and reimbursed by annual billing to Novato Disposal Service.

Sincerely,

BEVERLY B. JAMES
Manager-Engineer

SUMFINB		2009-10 FINAL BUDGET										Today:	14-Sep-09	Page xi
Novato Sanitary District														
2009-10 Budget														
		Treatment Facilities	RECL	L-M	Collection System	Pump Stations	Recycled Water	A-E	TOTAL	% OF TOTAL	2008-09 BUDGET	% OVER/UNDER BUDGET		
-000	Contract Operations	2,121,000							2,121,000	23.35%	2,121,000	N/A		
-010	Salaries and Wages	398,842	20,656	251,748	437,313	215,393	0	983,540	2,307,492	25.40%	(464,240)	-16.75%		
-020	Employee Benefits	173,496	8,985	112,142	192,799	93,696	0	465,171	1,046,290	11.52%	(190,413)	-15.40%		
-030	Directors' Fees							42,000	42,000	0.46%	4,200	11.11%		
-040	Election Expense							40,000	40,000	0.44%	40,000	100.00%		
-060	Gasoline, Oil & Fuel	6,000	10,000	2,000	15,000	4,000	0	8,000	45,000	0.50%	(43,225)	-48.99%		
-070	Insurance							154,000	154,000	1.70%	14,633	10.50%		
-071	Ins Claims Expense							50,000	50,000	0.55%	(50,000)	-50.00%		
-075	Agency Dues							45,000	45,000	0.50%	5,000	12.50%		
-080	Memberships							6,000	6,000	0.07%	(3,000)	-33.33%		
-090	Office Expense							25,000	25,000	0.28%	(2,000)	-7.41%		
-091	Software Maint	1,000	2,500	13,000	25,000	2,500	0	0	44,000	0.48%	(53,500)	-54.87%		
-100	Operating Supplies	8,000	3,500	30,000	17,000	10,000	0	9,000	77,500	0.85%	(51,500)	-39.92%		
-101	Operating Chemicals	50,000	0		0	4,000	0		54,000	0.59%	(276,500)	-83.66%		
-111	Radio Maintenance								0	0.00%	0	0.00%		
-112	Janitorial Services	14,000			0	0			14,000	0.15%	(6,000)	-30.00%		
-113	Grounds Maintenance	1,000			0				1,000	0.01%	(4,000)	-80.00%		
-115	Sludge Disposal-Contractual	45,000	60,000						105,000	1.16%	0	0.00%		
-121	Accounting & Auditing							25,000	25,000	0.28%	0	0.00%		
-122	Attorney							277,098	277,098	3.05%	117,098	73.19%		
-123	Outside Consulting							272,000	272,000	2.99%	130,000	91.55%		
-124	IT/Misc Electrical							40,000	40,000	0.44%	(14,000)	0.00%		
-130	Printing & Publication							12,000	12,000	0.13%	4,000	50.00%		
-150	Repairs & Maintenance	65,000	90,000	7,500	55,000	100,000	0	13,000	330,500	3.64%	(240,000)	-42.07%		
-151	Unusual Equipment Maint	0	75,000		0	0			75,000	0.83%	(105,000)	-58.33%		
-152	Small Tools	500	1,000		2,500	2,000			6,000	0.07%	(7,500)	-55.56%		
-153	TV Inspection/Outside Services				70,000				70,000	0.77%	0	0.00%		
-157	Ditch Dike Maintenance		25,000						25,000	0.28%	0	0.00%		
-160	Research & Monitoring			116,610					116,610	1.28%	20,000	20.70%		
-170	Travel, Mtgs & Train.							75,000	75,000	0.83%	0	0.00%		
-170(2)	Poll. Prev/Public Education			24,500					24,500	0.27%	(80,500)	-8.58%		
-191	Gas & Electricity	190,000	145,000			85,000	0		420,000	4.62%	(518,000)	-55.22%		
-192	Water	4,000	6,000		4,000	10,000			24,000	0.26%	1,500	6.67%		
-193	Telephone	5,000			1,000	25,000		12,000	43,000	0.47%	500	1.18%		
-200	Other	77,602			1,500				79,102	0.87%	69,357	711.72%		
-201	Permits & Fees	50,000	2,000	3,000	8,000	2,500	0	0	65,500	0.72%	(13,200)	-16.77%		
-202	Co. Collection Fees							57,000	57,000	0.63%	900	1.60%		
-250	Ser. Chg. System Exp							8,000	8,000	0.09%	500	6.67%		
-290	Vehicle Replacement	21,200	7,000	1,400	35,000	10,000	0	5,600	80,200	0.88%	0	0.00%		
-300	Capital Outlay	0	0	0	0	0		20,000	20,000	0.22%	(124,500)	-86.16%		
	SUBTOTAL:	3,231,641	456,641	561,900	864,112	564,089	0	2,644,409	8,322,792					
-021	Retiree Health Benefits							431,000	431,000	4.74%	255,255	145.24%		
-400	AB 939 Solid Waste Programs	0	0	0	0			330,538	330,538	3.64%	5,229	1.61%		
	TOTAL:	3,231,641	456,641	561,900	864,112	564,089	0	3,405,947	9,084,330		542,094	6.35%		
		35.57%	5.03%	6.19%	9.51%	6.21%	0.00%	37.49%	100.00%	100.00%				

2009-10 Budget
Operating Budget - EXPENDITURE SUMMARY

	Budget 2008-09	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
				Prelim	Final
Treatment Facilities, L-M and Recycled Water					
Salaries/Benefits	1,841,895	1,810,556	1,792,030	2,344,008	936,229
Treatment Plant Contract Operation:					2,121,000
Materials, Supplies and Ser	1,928,885	1,818,001	1,866,985	1,946,594	736,312
Capital Outlay	56,000	56,000	14,643	57,080	0
Totals	3,826,780	3,684,557	3,673,658	4,347,682	3,793,541
RECLAMATION/DISPOSAL FACILITIES:					
Salaries/Benefits	65,386	40,187	62,622	64,427	29,641
Materials, Supplies and Ser	480,500	378,791	356,157	388,000	427,000
Capital Outlay	63,000	63,000	4,116	60,000	0
Totals	608,886	481,978	422,895	512,427	456,641
PUMP STATIONS & COLLECTION SYSTEM:					
Salaries/Benefits	588,475	568,691	556,468	579,850	939,201
Materials, Supplies and Ser	548,995	534,286	428,927	560,995	489,000
Capital Outlay	25,500	12,000	16,049	53,000	0
Totals	1,162,970	1,114,977	1,001,444	1,193,845	1,428,201
AB 939 SOLID WASTE PROGRAMS					
Salaries/Benefits	0	0	0	0	N/A
Materials, Supplies and Ser	325,309	255,000	286,682	325,309	330,538
Capital Outlay	0	0	0	0	N/A
Totals	325,309	255,000	286,682	325,309	330,538
ADMINISTRATION AND ENGINEERING:					
Salaries/Benefits	1,512,679	1,485,634	1,426,388	1,592,380	1,448,711
Retiree benefits/GASB 45 funding	175,745	164,109	148,185	175,744	431,000
Materials, Supplies and Ser	929,867	847,127	839,775	1,039,500	1,175,698
Capital Outlay	0	0	0	0	20,000
Totals	2,618,291	2,496,870	2,414,349	2,807,624	3,075,409
Grand Totals	8,542,236	8,033,381	7,799,028	9,186,887	9,084,330
TODAY	14-Sep-09				

Operating Budget - REVENUE SUMMARY

Acct Number	Item	Budget 2008-09	Revenues Thru April	Est Rev 2008-09	Actual Rev 2008-09	2009-10 Budget	
						Prelim	Final
41010	Service Chgs (1)	5,693,197.00	5,433,187	5,500,000	5,492,949	6,605,527	8,006,814
41020	County Ser Chg Collect Fees	47,200	47,200	47,200	0	0	0
41030	Pub Sewer Plan Chk/Insp Fees	2,500	12,352	15,000	12,412	2,500	2,500
41040	Conn Permit/ Insp Fees	25,000	9,892	25,000	10,977	25,000	25,000
41050	Property Tax Allocation (2)	1,841,000	1,752,693	2,444,885	2,527,507	0	0
41060	Interest Earn	250,000	185,144	385,144	224,428	250,000	200,000
41070	Annex Fees Leg/File/Engr	0	0	0	0	0	0
41080	Engr/AdminChgs	175,000	0	175,000	163,731	250,000	175,000
41090	Non-Domestic Permit Fees (3)	2,000	3,099	4,000	4,019	2,000	4,000
41100	Garbage Franchise Fee	45,000	45,000	45,000	45,000	45,000	45,000
41105	AB939 Collector Fees	271,862	271,862	271,862	271,862	271,862	277,299
41107	Oil/Bev/Tire Grants/ JPA Reimb. Fees (4)	59,278	60,845	60,845	60,845	63,080	63,080
41110	Sludge Disp Charges(NMWD)	0	0	0	0	0	100
41130	Ranch Income	82,517	0	82,517	82,517	82,517	82,517
41135	Recycled Water Fac.	102,544	60,168	71,800	74,736	0	20,000
41140	Other Rev (5)	160,000	47,276	52,000	63,428	160,000	75,000
41142	Asset Disposal	0	0	4,962	4,752	0	0
TOTALS		8,757,098	7,928,718	9,185,215	9,039,164	7,757,486	8,976,310

(1) Service charge revenue is based on the assumption that operating service charges will increase from \$199 to \$281. All of the property tax income is being transferred to the Capital Budget.

(2) Property tax revenue projection based on County of Marin property tax assessment rolls and increased growth. Property tax revenue this year has been allocated to the Capital Improvement Project budget.

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

(4) Oil/Bev/Tire Grants \$22,725; JPA Reimb. Fees \$40,355.

(5) Other revenue includes septic tank hauling fees and other miscellaneous revenue.

APPROPRIATIONS LIMITATION

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

TODAY 14-Sep-09

FLOW OF FUNDS - OPERATING AND WORKING CAPITAL RESERVE FUND

		2009-10 Budget	
		Prelim	Final
OPERATING FUND			
	FUND BALANCE 6/30/08	0	0
	Actual Revenues 2008-09	9,185,215	9,039,164
	Actual Expenditures 2008-09	(8,033,381)	(7,799,028)
	Transfer from Self-Insurance Fund for Claims	76,500	77,909
	Transfer to Self-Insurance Reserve Fund	(100,000)	(100,000)
	Transfer to Working Capital Reserve Fund	(1,128,334)	(1,218,045)
	FUND BALANCE 6/30/09	0	0
	Anticipated Revenues 2009-10	7,757,486	8,976,310
	Anticipated Expenditures 2009-10	(9,186,887)	(9,084,330)
	Anticipated Transfer from Self-Insurance Fund for Claim	100,000	50,000
	Anticipated Transfer to GASB 45 Fund	0	0
	Anticipated Transfer from Southgate Reserve Fund	0	0
	Anticipated Transfer to/from Working Capital Reserve Fund	1,329,401	58,020
	ANTICIPATED FUND BALANCE 6/30/10	0	0
WORKING CAPITAL RESERVE FUND			
	FUND BALANCE 6/30/08	5,553,939	6,611,702
	Transfer from Operating Fund 2008-09	1,128,334	1,218,045
	Transfer to Rate Stabilization Reserve	0	0
	Transfer to Emergency Repair Reserve	0	0
	FUND BALANCE 6/30/09	6,682,273	7,829,747
	Anticipated Transfer to/from Operating Fund 2009-10	(1,329,401)	(58,020)
	ANTICIPATED FUND BALANCE 6/30/10	5,352,872	7,771,726
	TODAY 14-Sep-09		

SECTION II

OPERATING FUND BUDGET

Operating Budget - TREATMENT FACILITIES

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
61010	Salaries/Wages	1,032,811	865,688	1,038,826	1,015,034	1,383,795	398,842
61020	Employee Benefits	449,272	344,175	413,010	420,191	622,751	173,496
61060	Gas, Oil & Fuel	42,500	32,187	39,000	31,425	43,775	6,000
61091	Software Maint	7,500	4,820	5,785	4,820	7,725	1,000
61100	Oper Supplies	50,000	39,195	47,035	45,781	51,500	8,000
61101	Oper Chemicals	309,000	272,512	309,000	307,936	318,270	50,000
61112	Janitorial Services	20,000	11,286	14,000	13,558	20,600	14,000
61113	Grounds Maint	5,000	2,020	5,000	4,242	5,150	1,000
62115	Sludge Disp. - Contract	30,000	45,856	45,856	45,856	0	45,000
61150	Repairs and Maintenance	250,000	255,994	300,000	259,150	257,500	65,000
61151	Unusual Eq Maint	70,000	10,480	11,000	10,480	72,100	0
61152	Small Tools	3,500	2,456	3,000	2,767	3,605	500
61191	Gas & Elect	720,000	510,228	650,000	686,975	741,600	190,000
61192	Water	4,000	2,029	3,000	2,359	4,120	4,000
61193	Telephone	9,000	9,205	10,500	12,678	9,270	5,000
61200	Other/Operational Assist.	7,250	59,082	116,000	116,244	38,368	77,602
61201	Permits & Fees	68,000	45,491	68,000	45,491	70,040	50,000
61290	Vehicle Repl	21,200	0	21,200	21,200	21,836	21,200
61300	Capital Outlay	36,000	0	36,000	8,232	37,080	0
Total - TREATMENT FACILITIES		3,135,035	2,512,704	3,136,212	3,054,418	3,709,085	1,110,641
TODAY	14-Sep-09						

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
63010	Salaries/Wages	45,565	33,489	40,187	44,152	44,897	20,656
63020	Employee Benefits	19,821	15,139	18,167	18,470	19,530	8,985
63060	Gas, Oil & Fuel	12,500	9,414	11,297	9,183	12,500	10,000
63091	Software Maint	2,500	2,410	2,410	2,410	2,500	2,500
63100	Oper Supplies	6,000	3,033	5,000	3,212	6,000	3,500
63101	Oper Chemicals	2,500	0	0	0	0	0
63115	Sludge Disposal	75,000	54,979	60,000	54,979	75,000	60,000
63150	Repairs & Maintenance	120,000	54,759	80,000	87,467	120,000	90,000
63151	Unusual Eq Maint	100,000	38,702	60,000	46,802	10,000	75,000
63152	Small Tools	2,500	492	500	573	2,500	1,000
63157	Ditch/Dike Maintenance	25,000	0	25,000	0	25,000	25,000
63191	Gas & Elect	120,000	99,454	120,000	140,760	120,000	145,000
63192	Water - Recl	6,000	11,333	6,000	2,186	6,000	6,000
63201	Permits & Fees	1,500	1,584	1,584	1,584	1,500	2,000
63290	Vehicle Repl	7,000	0	7,000	7,000	7,000	7,000
63300	Capital Outlay	63,000	0	63,000	4,116	60,000	0
Total - RECLAMATION/DISP. FACILITIES		608,886	324,788	500,145	422,894	512,427	456,641
UNUSUAL EQUIP. MAINT :		Pump Repairs (PPS 7)				25,000	
		Irrigation Valve Replacement				50,000	
TODAY		14-Sep-09					

2009-10 Budget
Operating Budget - LABORATORY AND MONITORING

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
64010	Salaries/Wages	220,363	193,131	231,757	230,603	235,165	251,748
64020	Employee Benefits	95,858	74,969	89,963	91,518	102,297	112,142
64060	Gas, Oil & Fuel	2,625	1,651	2,625	1,601	2,625	2,000
64091	Software Maint	5,000	334	400	334	10,000	13,000
64100	Oper Supplies	35,000	18,611	30,000	27,493	35,000	30,000
64150	Repairs & Maintenance	7,500	7,162	8,000	8,203	7,500	7,500
64160	Research & Monitoring (Contractual)	96,610	54,269	80,000	96,360	116,610	116,610
64170	Pollution Prev/Public Ed	105,000	7,187	10,000	78,221	105,000	24,500
64200	Other	0	0	0	0	0	0
64201	Permits & Fees	3,000	2,359	2,400	2,359	3,000	3,000
64290	Vehicle Repl	1,400	0	1,400	1,400	1,400	1,400
64300	Capital Outlay	20,000	6,411	20,000	6,411	20,000	0
Total - LABORATORY AND MONITORING		592,356	366,084	476,545	544,503	638,597	561,900
REPAIRS AND MAINTENANCE:		Air conditioning (\$1,000); weights & balance (\$1,000); glassware washer (\$1,000); microscope maintenance (\$500); autoclave preventive maintenance (\$700); Lab. truck (\$3,300).					
RESEARCH AND MONITORING:		Contract studies (\$15,000); Mo metals (\$12,000); Non-domestic monitoring (\$16,800); sludge regs. (\$4,510); Pretreatment (\$4,000); Reclamation monitoring (\$5,100); Priority pollutants (\$19,200); Blending tests (\$10,000); Consulting fees - sludge report, etc. (\$10,000) Pollution prevention: L. Whitney (\$20,000)					
POLLUTION PREVENTION:		Includes CMSA (\$20,000), EOA (\$2,500), Misc (\$2,000)					
SOFTWARE MAINTENANCE:		Industrial Waste Pollution Prevention Software				8,000	
		LAD Upgrade				5,000	
TODAY	14-Sep-09						

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
60010	Salaries/Wages	334,145	280,405	336,486	314,783	329,248	437,313
60020	Employee Benefits	145,353	112,458	134,950	137,315	143,223	192,799
60060	Gas, Oil & Fuel	15,000	9,374	12,000	9,109	15,000	15,000
60091	Software Maint	75,000	18,899	75,000	18,899	75,000	25,000
60100	Oper Supplies	17,000	10,491	17,000	14,923	17,000	17,000
60101	Oper Chemicals	0	0	0	0	0	0
60113	Grounds Maint.	0	0	0	0	0	0
60150	Repairs & Maintenance	55,000	40,162	55,000	47,526	55,000	55,000
60151	Unusual Eq Maint	0	0	0	0	6,000	0
60152	Small Tools	2,500	1,571	2,500	1,721	2,500	2,500
60153	Outside Services	70,000	39,579	70,000	39,579	70,000	70,000
60191	Gas & Elect	0	0	0	0	0	0
60192	Water	4,000	2,419	4,000	3,045	4,000	4,000
60193	Telephone	2,000	885	1,500	916	2,000	1,000
60200	Other (Garbage Coll.)	2,495	1,246	2,000	1,246	2,495	1,500
60201	Permits & Fees	2,000	7,199	7,199	7,199	8,000	8,000
60290	Vehicle Repl	35,000	0	35,000	35,000	35,000	35,000
60300	Capital Outlay	12,500	8,406	9,000	11,933	43,000	0
Total - COLLECTION SYSTEM		771,993	533,094	761,635	643,192	807,466	864,112
UNUSUAL EQUIP. MAINTENANCE							
TODAY	14-Sep-09						

2009-10 Budget
Operating Budget - RECYCLED WATER

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
68010	Salaries	30,377	22,326	25,000	24,591	0	0
68020	Employee Benefits	13,214	10,093	12,000	10,093	0	0
68060	Gas, Oil & Fuel	600	261	400	293	0	0
68091	Software Maintenance	5,000	0	0	0	0	0
68100	Oper Supplies	1,000	165	1,200	165	0	0
68101	Oper Chemicals	15,000	24,448	25,000	30,052	0	0
68150	Repairs & Maintenance	25,000	2,876	3,000	2,876	0	0
68191	Gas & Electricity	8,000	4,000	4,000	6,667	0	0
68201	Permits & Fees	1,200	0	1,200	0	0	0
68290	Vehicle Repl	0	0	0	0	0	0
Total - Recycled Water		99,391	64,169	71,800	74,737	0	0
*	.25 fte						
<p>NOTE: The Recycled Water Facility is now operated by the North Marin Water District. Therefore, no funds have been allocated to this cost center for 2009-10.</p>							
TODAY	14-Sep-09						

Operating Budget - ADMINISTRATION AND ENGINEERING

Account Number	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
66010	Salaries/Wages	1,032,529	839,784	1,007,741	1,005,155	1,066,708	983,540
66020	Empl Benefits	480,150	398,244	477,893	421,233	525,672	465,171
66021	Retiree Health Benefit	175,745	134,109	164,109	148,185	175,744	180,000
66021	GASB 45						251,000
66030	Director's Fees	37,800	33,856	38,000	40,381	37,800	42,000
66040	Election Exp	0	0	0	0	40,000	40,000
66060	Gas, Oil & Fuel	11,000	6,934	11,000	6,826	11,000	8,000
66070	Insurance	139,367	131,016	135,000	131,049	154,000	154,000
66071	Ins Claims Exp	100,000	(24,324)	76,500	77,909	100,000	50,000
66075	Agency Dues	40,000	37,909	38,000	42,813	40,000	45,000
66080	M'Ships/Certification	9,000	6,934	8,000	8,088	9,000	6,000
66090	Office Expense	27,000	16,944	20,000	21,105	27,000	25,000
66091	Software Maint.	0	0	0	0	0	0
66100	Engr Supplies	8,000	6,816	7,500	8,514	8,000	9,000
66121	Accounting/Audit	25,000	22,150	22,150	22,150	25,000	25,000
66122	Attorney Fees	160,000	103,889	170,000	156,846	160,000	277,098
66123	O/S Contractual	142,000	54,812	130,000	132,615	197,000	272,000
66124	IT/Misc. Electrical	54,000	17,638	31,713	37,555	54,000	40,000
66130	Print & Publ	8,000	6,983	8,000	7,789	8,000	12,000
66150	Repairs & Maintenance	13,000	9,934	13,000	10,126	13,000	13,000
66170	Trav, Mtgs & Trn	75,000	60,218	65,000	62,691	75,000	75,000
66193	Telephone	11,500	9,671	11,500	11,554	11,500	12,000
66201	Permits & Fees	0	0	0	0	0	0
66202	Co. Collection Fees	56,100	56,164	56,164	56,164	56,100	57,000
66250	Ser Chg Sys Exp	7,500	0	0	0	7,500	8,000
66290	Vehicle Rep	5,600	0	5,600	5,600	5,600	5,600
66300	Capital Outlay	0	0	0	0	0	20,000
Total - ADMINISTRATION AND ENGINEERING		2,618,291	1,929,681	2,496,870	2,414,349	2,807,624	3,075,409
O/S CONTRACTUAL		Misc. engineering (incl. O/S mech/elect.) (\$25,000); Public Outreach (\$25,000); Standard specs. and drawings (\$25,000); records retention(\$10,000); lab relations (IEDA ongoing services inc. MOU development for 09-10 (\$12,000); misc. labc relations (IEDA) (\$5,000); NPDES permit assistance (\$60,000); safety (\$110,000)					
CAPITAL OUTLAY		Copier Computers					
TODAY	14-Sep-09						

2009-10 Budget
Operating Budget - PERSONNEL DETAIL

Number	Position	Dept.	Pay Range	Total 2009-10 Salaries
1.00	Manager-Engineer.....	A/E		168,132
1.00	Deputy - Manager Engineer.....	A/E	MC122.5	148,128
1.00	Senior Engineer.....	A/E	MC116.5	104,858
1.00	Field Services Superintendent.....	A/E	MC117	113,232
0.63	Administrative Services Manager.....	A/E	MC117.5	72,540
0.00	Administrative Assistant.....	A/E	MC103.5	0
1.00	Administrative Secretary.....	A/E	MC106	60,048
0.80	Finance Officer.....	A/E	MC112.5	72,366
1.00	Staff Engineer.....	A/E	47	81,864
1.00	Construction Inspector.....	A/E	44.5	72,492
1.00	Information System Specialist II.....	A/E	43.5	64,965
1.00	Laboratory Supervisor.....	L/M	MC115.5	105,276
1.00	ECA I.....	L/M	43	57,957
1.00	ECA I.....	L/M	43	66,820
1.00	Instrument Technician/Electrician.....	M/O	46.5	78,652
1.00	Collection System Superintendent.....	C/S	MC115	102,708
0.75	Collection System Leadworker.....	C/S	47	61,398
6.00	Collection System Worker II.....	C/S	40.5	342,833
1.00	Collection System Worker I.....	C/S	38.5	47,118
0.25	Mechanical Maintenance Leadworker.....	M/O	46	19,491
0.50	Mechanical Maintenance Technician II.....	M/O	43.5	34,518
0.25	Wastewater Facilities Manager.....	M/O	MC118.5	30,468
0.25	Operations Leadworker.....	M/O	47	20,466
0.75	WWTP Operator II.....	M/O	44.50	54,369
0.17	WWTP Operator I.....	M/O	43	11,226
0.50	Reclamation Specialist.....	M/O	43	20,656
1.00	Engineering Intern.....	A/E	N/A	10,000
2.00	Collection System Interns.....	C/S	N/A	25,000
0.40	Temporary Electrician.....	M/O	N/A	40,000
1.00	Lab. Intern.....	L/M	N/A	12,000
	Allowance for Overtime.....	C/S		35,000
	Allowance for Overtime.....	A/E		5,000
	Allowance for Overtime.....	L/M		5,000
	Allowance for Standby Duty Pay.....	C/S		21,000
	CCSR.....	C/S		1,500
	Subtotal			2,167,081
	Allowance for Possible COLA - represented group.....	3.20%		27,971
	Allowance for Possible COLA - across the board.....	0.30%		5,526
				2,200,578
29.25				
	Administration and Engineering (A/E)	=	983,540	
	Laboratory and Monitoring (L/M)	=	251,748	
	Treatment Facilities	=	291,950	
	Collection System	67%	=	437,313
	Pump Stations	33%	=	215,393
	Reclamation Facilities	=	20,656	
	Total/Check		2,200,578	
NOTE:	Added Collection System Leadworker eff. 10/09 Eliminated 2 Maintenance Worker positions			
TODAY	14-Sep-09			

2009-10 Budget

GASB 45 ACCRUED LIABILITY - OPEB (Other Post-Employment Benefits)

		2009-10 Budget	
		Prelim	Final
	FUND BALANCE 6/30/08	0	0
	Interest Earned on Fund		
	Balance	0	0
	Transfer to Operating Fund to		
	Reimburse Fund for Retiree health premiums	0	0
	Transfer from Operating Fund to		
	GASB 45 Fund	0	0
	FUND BALANCE 6/30/09	0	0
	Anticipated Interest Earned on Fund		
	Balance	0	0
	Anticipated Transfer from Operating Fund		
	to GASB 45 Fund for retiree health premiums	0	251,000
	ANTICIPATED FUND BALANCE 6/30/10	0	251,000

To satisfy GASB 45 accounting standards, the District is required to account for the cost of providing Other Post-Employment Benefits. The District provides retiree health benefits and currently has an unfunded liability of \$5,733,000.00.

SECTION III

VEHICLE REPLACEMENT FUND

2009-10 Budget				Page 16
Operating Budget - VEHICLE REPLACEMENT FUND DETAIL				
			2009-10 Budget	
			Prelim	Final
FLOW OF FUNDS				
FUND BALANCE 6/30/08			146,613	146,613
Sale of Vehicle/s:				
1997 Ford Ranger			2,100	2,100
1999 Dodge 4 x 4			2,300	2,300
1997 Ford Taurus sedan			1,100	1,100
Minus Commissions			(748)	(748)
Contributions from Operating Fund				
Accounts 2008-09:			80,200	80,200
Purchase of Vehicles:				
FUND BALANCE 6/30/09			231,565	231,565
Sale of Vehicles:				
1990 Ford Van			800	800
1992 Ford diesel truck with crane			4,000	4,000
Anticipated Contributions from Operating				
Accounts 2009-10			59,000	80,200
Planned Purchase of Vehicles:				
1 Crane truck			(40,000)	(40,000)
ANTICIPATED FUND BALANCE 6/30/10			255,365	276,565
TODAY		14-Sep-09		

SECTION IV

SELF-INSURANCE RESERVE FUND

2009-10 Budget

FLOW OF FUNDS - SELF-INSURANCE RESERVE FUND

		2009-10 Budget	
		Prelim	Final
FUND BALANCE 6/30/08		127,906	127,906
	Interest Earned on Fund Balance	1,918	1,918
	Transfer to Operating Fund to Reimburse Fund for Claims	(76,500)	(77,909)
	Transfer from Operating Fund to Self-Insurance Reserve Fund	100,000	100,000
FUND BALANCE 6/30/09		153,324	151,915
	Anticipated Interest Earned on Fund Balance	1,500	1,500
	Anticipated Transfer to Operating Fund from Insurance Fund for Claims	100,000	(50,000)
ANTICIPATED FUND BALANCE 6/30/10		254,824	103,415
<p>** 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.</p> <p>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.</p> <p>The self-insurance reserve fund has been set up to cover possible District claims falling within the deductible amounts on these policies.</p>			
TODAY 14-Sep-09			

SECTION V

**RATE STABILIZATION,
EMERGENCY REPAIRS,
AND
SOUTHGATE RESERVE FUNDS**

2009-10 Budget

FLOW OF FUNDS - RATE STABILIZATION AND EMERGENCY REPAIRS RESERVE FUNDS

		2009-10 Budget	
		Prelim	Final
<u>RATE STABILIZATION FUND**</u>			
FUND BALANCE 6/30/08		600,000	600,000
	Contribution to/from Operating Fund to Rate Stabilization Fund 2008-09	0	0
FUND BALANCE 6/30/09		600,000	600,000
	Anticipated Contribution to/from Operating Fund to Rate Stabilization Account 2009-10	0	0
ANTICIPATED FUND BALANCE 6/30/10		600,000	600,000
<u>EMERGENCY REPAIR RESERVE FUND**</u>			
FUND BALANCE 6/30/08		600,000	600,000
	Contribution to/from Operating Fund to Emergency Repair Reserve Fund 2008-09	0	0
FUND BALANCE 6/30/09		600,000	600,000
	Anticipated Contribution from Operating Fund to Rate Stabilization Account 2009-10	0	0
ANTICIPATED FUND BALANCE 6/30/10		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.		
TODAY	14-Sep-09		

SECTION VI

CAPITAL IMPROVEMENT BUDGET

Acct Number	Item	Budget 2008-09	Revenues Thru April	Est Rev 2008-09	Actual Rev 2008-09	2009-10 Budget	
						Prelim	Final
51010	Service Chgs (1)	6,433,341	6,176,553	6,176,553	6,194,177	6,176,553	5,157,414
51010	Property Taxes (2)	0	0	0	0	1,841,000	2,275,000
51020	Connection Charges (3)	1,102,500	608,480	700,000	647,101	450,000	450,000
51030	Collector Sewer Charges	4,000	0	4,000	0	4,000	4,000
51040	Special Equal Charges	4,000	1,067	4,000	1,250	4,000	4,000
51050	Trunk Sewer Charges	0	0	0	0	0	0
51060	Interest Earn	500,000	384,255	450,000	474,484	500,000	500,000
51070	Other Revenue	0	19,545	0	19,545	0	0
TOTALS		8,043,841	7,189,900	7,334,553	7,336,557	8,975,553	8,390,414

(1) Service charge revenue is based on transferring \$42 from Capital service charges to operating to balance the transfer of property taxes from operating to capital. Capital service charges are now \$181.

(2) Due to the uncertainty and variability of property tax revenue it has been moved to the capital budget.

(3) Connection fee \$7,350/edu @ 150 new connections

CAPITAL IMPROVEMENTS BUDGET

2009-10 Budget							
Project	Item	Budget 2008-09	Expends Thru April	Est. Expend 2008-09	Actual Expend 2008-09	2009-10 Budget	
						Prelim	Final
72011	Admin. Bldg. Remodel	25,000	0	0	288	0	0
72110	Drainage PS #3 & #7 Outfall Rehabilitation	150,000	0	0	0	150,000	150,000
72111	SCADA Phase II & IIA	40,000	670	1,000	670	49,000	40,000
72403	Pump Station Rehabilitator	4,000,000	1,270,083	1,500,000	2,083,532	4,000,000	2,000,000
72406	Dechlor. Station Relocator	0	0	0	0	5,000	5,000
72508	N. Bay Water Recycling Auth.	140,000	79,150	79,150	79,368	50,000	50,000
72509	NTP Soil & Groundwater Invest	20,000	4,987	5,000	7,218	3,000	3,000
72604	Laboratory Improvements	20,000	10,736	10,736	10,806	20,000	25,000
72607	WWTP Upgrade - Contract A1	150,000	75,007	78,000	81,554	50,000	50,000
72608	WWTP Upgrade - Contract A2	50,000	21,646	25,000	23,484	20,000	20,000
72609	WWTP Upgrade - Contract B	35,000,000	25,733,649	31,500,000	30,562,515	18,000,000	18,000,000
72611	Bayside Sewer	10,000	0	0	0	10,000	10,000
72612	Southgate Sewer	3,000	0	0	0	3,000	3,000
72706	Collection System Improvements	2,000,000	457,945	500,000	644,371	4,000,000	3,000,000
72707	Hamilton Wetlands/Outfall monitoring and planning	10,000	500	500	1,335	5,000	5,000
72708	Cogeneration	50,000	0	0	0	50,000	50,000
72801	Annual Minor Projects	50,000	6,261	10,000	6,308	50,000	50,000
72802	Annual Sewer Adj. for City Proj	75,000	11,364	12,000	11,646	60,000	60,000
72803	Annual Collection System Repairs	250,000	70,034	90,000	109,190	200,000	200,000
72804	Annual Reclamation Facilities Improvements	350,000	115,069	130,000	187,207	200,000	260,000
72805	Annual Treatment Plant & Pump Station Improvements	200,000	33,752	50,000	35,139	200,000	260,000
72808	Strategic Plan Update	75,000	0	0	0	75,000	75,000
78500	Interest - Zions Bank	1,302,270	976,703	1,302,270	1,302,270	1,302,270	1,302,270
TOTALS		43,970,270	28,867,555	35,293,656	35,146,901	28,502,270	25,618,270
TODAY	14-Sep-09						

FLOW OF FUNDS - CAPITAL IMPROVEMENT AND CAPITAL IMPROVEMENT RESERVE FUNDS

		2009-10 Budget	
		Prelim	Final
CAPITAL IMPROVEMENT FUND			
	FUND BALANCE 6/30/08	0	0
	Actual Revenues 2008-09	7,334,553	7,336,557
	Actual Expenditures 2008-09	(35,293,656)	(35,146,901)
	Transfer to Zions Bank Credit Line Fund for 2008-09 Interest Payments	(1,302,270)	(1,302,270)
	Transfer from Capital Improvement Reserve Fund 2008-09	29,261,373	29,112,614
	FUND BALANCE 6/30/09	0	0
	Anticipated Revenues 2009-10	8,975,553	8,390,414
	Anticipated Expenditures 2009-10	(28,502,270)	(25,618,270)
	Transfer to Zions Bank Credit Line Fund for 2008-09 Interest Payments	(1,302,270)	(1,302,270)
	Transfer from Capital Improvement Reserve Fund 2009-10	20,828,987	18,530,126
	Transfer from Southgate Reserve Fund	0	0
	ANTICIPATED FUND BALANCE 6/30/10	0	0
CAPITAL IMPROVEMENT RESERVE FUND			
	FUND BALANCE 6/30/08	(2,419,351)	(2,419,351)
	Transfer to Capital Improvement Fund 2008-09	(29,261,373)	(29,112,614)
	Transfer from SRF Loan	31,297,761	31,297,761
	FUND BALANCE 6/30/09	(382,963)	(234,204)
	Anticipated Transfer from SRF Loan	27,197,761	27,197,761
	Anticipated Transfer to Capital Improvement Fund 2009-10	(20,828,987)	(18,530,126)
	ANTICIPATED FUND BALANCE 6/30/10	5,985,811	8,433,431
TODAY	14-Sep-09		

SECTION VII

FLOW OF FUNDS –

LINE OF CREDIT & STATE REVOLVING FUND

FLOW OF FUNDS - ZION'S BANK CREDIT LINE and STATE REVOLVING FUND LOAN

2009-10 Budget

Prelim Final

Zions Bank - Line Of Credit

FUND BALANCE 6/30/08 30,006,231 30,006,231

Principal Payment 2008-09 0 0

Interest payments 2008-09 (1,302,270) (1,302,270)

Transfer from Capital Improvement Fund 2008-09 1,302,270 1,302,270

FUND BALANCE 6/30/09 30,006,231 30,006,231

Principal Payment 2009-10 (5,000,000) (5,000,000)

Est. Interest payments 2009-10 (1,302,270) (1,302,270)

Transfer from Capital Improvement Fund 2009-10 1,302,270 1,302,270

ANTICIPATED FUND BALANCE 6/30/10 25,006,231 25,006,231

State Revolving Fund Loan

FUND BALANCE 6/30/08 0 0

SRF deposits 2008-09 26,297,761 26,297,761

Anticipated additional SRFdeposits 2008-09 5,000,000 5,000,000

Anticipated Transfer to Capital Improvement Reserve Fund (31,297,761) (31,297,761)

FUND BALANCE 6/30/09 0 0

Anticipated SRF deposits 2009-10 27,197,761 27,197,761

Anticipated Transfer to Capital Improvement Reserve Fund (27,197,761) (27,197,761)

ANTICIPATED FUND BALANCE 6/30/10 0 0