

PURPOSE

This Water Fund Operating Budget provides funds for the operation and maintenance of 22 well facilities including the Five Forks Water Treatment Facility, eight water storage tanks, and 353 miles of water distribution lines that serve portions of the County. Indirect operating and maintenance costs are reimbursed to the Administration Fund. Revenue is provided from service charges, interest income, and other miscellaneous items.

BUDGET SUMMARY

	FY 08 Budget	FY 09 Adopted	FY 10 Plan
<u>Revenues:</u>			
Service Charges	\$ 5,592,844	\$ 6,113,154	\$ 6,589,308
Interest	500,000	550,000	550,000
Miscellaneous	611,354	537,009	544,956
Total	\$ <u>6,704,198</u>	\$ <u>7,200,163</u>	\$ <u>7,684,264</u>
<u>Expenses:</u>			
Admin Fund Allocation	\$ 2,391,949	\$ 2,628,752	\$ 2,689,202
Direct Expenses	2,798,817	2,736,455	2,853,870
Capital Equipment Outlay	129,800	120,850	156,850
Debt Service Fund	1,383,632	1,384,432	1,385,019
PDA Operating Costs	0	329,674	336,158
PDA Water Purchase	0	0	263,165
Total	\$ <u>6,704,198</u>	\$ <u>7,200,163</u>	\$ <u>7,684,264</u>

PERSONNEL

Full-time	14	15	15
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PERFORMANCE MEASURES

	FY 06 Year-end	FY 07 Year-end	FY 08 Jul-Dec	FY 09 Adopted
% Water (MGD) Withdrawal Versus DEQ Permit	56%	58%	61%	65%
% of Water Quality Samples in Compliance	99.7%	99.1%	99.5%	100%
% of Water Service Interruptions Repaired in 8 Hours or Less			New Measure	90%

BUDGET COMMENTS

This Water Fund Operating Budget continues to reflect customer service enhancement by placing emphasis on Water System Preventive Maintenance and Rehabilitative Programs. Existing systems are aging and require rehabilitative measures to meet the demands of increased usage and protect the public investment. These measures will improve both water quality and reliability. A new Groundwater Treatment Plant (GTP) became fully operational in FY 2006. Water production has increased 97 percent since FY 1997.

FY 2009 Comments

The FY 2009 Water Fund revenues will increase by 7.4 percent from FY 2008 Budget. The revenue increase is due to an increase in Water Service Rates, Plan Review Fees, Inspection Fees for water and sewer lines and projected new customer (775) growth.

The FY 2009 expenses reflect one new full-time permanent position (Water Production Section - Treatment Plant Technician), salary adjustments consistent with those granted County employees, security fence for two well facilities, security cameras for Treatment Plant, and first year JCSA share of the Project Development Agreement (PDA) Operating Cost with City of Newport News. The PDA operating costs include land lease payments, maintenance and repair, materials, manpower, etc. of the reservoir.

FY 2010 Comments

The FY 2010 Water Fund revenues will increase by 6.7 percent from FY 2009 proposed revenues. The revenue increase is due to an increase in Water Service Rates and projected new customer (811) growth.

The FY 2010 expenses reflect a salary adjustment consistent with those granted County employees, a feasibility study on new water meter reading technology, replacement computers for water treatment plant, and the first year purchase of water from City of Newport News under the PDA. The water purchase includes the cost of water treatment and delivery of water to James City County.