

The operations of the JCSA are the responsibility of a General Manager, assisted by a Assistant General Manager, Chief Engineer for Water, Chief Engineer for Sewer, Utility Operations Administrator, and a Customer Services Supervisor. Support services in legal, planning, finance, payroll and general administrative areas are provided by various County departments on a reimbursable basis. The Authority's operations are coordinated through five separate funds:

Administration Fund - The Administration Fund contains expenses such as salaries, building maintenance, utilities, and other overhead expenses that are not directly attributable to one of the other funds.

Water Fund - The Water Fund contains revenues and expenses for operation of the JCSA groundwater supply and distribution system.

Sewer Fund - The Sewer Fund contains revenues and expenses for operation of the JCSA sewer collection and movement system.

Capital Improvements Program (CIP) - The Capital Improvements Program provides revenues and expenses for major water and sewer expansions, replacements, and rehabilitations.

Debt Service Fund - Identify spending and sources of funding to pay principal and interest on outstanding debt of the Authority.

These budgets reflect the assessment of key service rates and charges for FY 2005 and 2006, as follows:

				FY 2005 <u>Adopted</u>	FY 2006 <u>Adopted</u>
1. Water Service Retail Rate	Residential: (Per Billing Period)	1st Block	< 15,000 gallons	\$2.30 per 1,000 gallons	No Change
		2nd Block	> 15,000 to < 30,000 gallons	\$2.71 per 1,000 gallons	No Change
		3rd Block	> 30,000 gallons	\$7.60 per 1,000 gallons	No Change
	Commercial:	Flat Rate		\$2.70 per 1,000 gallons	No Change
2. Sewer Service Retail Rate	Flat Rate		\$2.70 per 1,000 gallons	No Change	
3. Water System Facility Charge	5/8-inch meter		\$300 per bathroom fixture	No Change	No Change
4. Sewer System Facility Charge	5/8-inch meter		\$300 per bathroom fixture	No Change	No Change

A Rate Study was performed by Municipal & Financial Service Group (MFSG) for FY 2005 and FY 2006. The above FY 2005 rates were derived from the Rate Study with some modifications as directed by the Board of Directors (BOD). MFSG recommended additional changes (increase) in FY 2006; however, the BOD directed that the FY 2005 rates be used to develop projected revenues for the FY 2006 Budget. A review of the proposed FY 2006 rate changes will be considered in the next budget cycle.

MFSG also recommended that cash reserves be accumulated to provide for contingencies and unplanned major expenses. The establishment of two reserves are recommended: an **Operating Reserve** and a **Repair, Renewal, and Rehabilitation (“3R”) Reserve**. The Operating Reserve has been initially established at a level of 2 percent of the operating costs. The “3R” has been initially established at 0.5 percent of the systems’ book value. Each of these “new” reserve line items are displayed in the respective Water Fund and Sewer Fund on pages E-5 and E-7.