

PURPOSE

This Water Fund Operating Budget provides funds for the operation and maintenance of 22 well facilities including the Five Forks Groundwater Treatment Facility, eight water storage tanks, and 343 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 10 Adopted	FY 11 Adopted	FY 12 Plan
Revenues:			
Service Charges	\$ 6,220,595	\$ 5,849,493	\$ 5,936,373
Interest	477,000	371,000	398,000
Miscellaneous	421,383	388,983	388,983
Total	\$ <u>7,118,978</u>	\$ <u>6,609,476</u>	\$ <u>6,723,356</u>
Expenses:			
Admin Fund Allocation	\$ 2,506,353	\$ 2,350,428	\$ 2,398,359
Direct Expenses	2,920,756	2,749,416	2,790,553
Capital Equipment Outlay	156,850	10,000	36,000
Debt Service Fund	1,385,019	1,384,632	1,383,444
PDA Operating Costs	150,000	115,000	115,000
Total	\$ <u>7,118,978</u>	\$ <u>6,609,476</u>	\$ <u>6,723,356</u>

PERSONNEL

Full-Time Personnel	15	15	15
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PERFORMANCE MEASURES

	FY 08 Year-end	FY 09 Year-end	FY 10 Jul-Dec	FY 11 Adopted
% Water (MGD) Withdrawal Versus DEQ Permit	57%	56%	58%	65%
% of Water Quality Samples in Compliance	99.8%	99.4%	100%	100%
% of Water Service Interruptions Repaired in 8 Hours or Less	New Measure	93.8%	96.9%	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. The new Groundwater Treatment Plant (GTP) became fully operational in FY 2006.

The Water Fund revenues will decrease by 7.1 percent in FY 2011 and increase by 1.7% in FY 2012. The FY 2011 revenue decrease is due to a projected downward trend in water production, a decline in interest earned on investments and a decline in new construction activity as it relates to plan review and inspection fees. The increase in FY 2012 is due to projected modest customer growth and interest income.

The decrease in FY 2011 Water Fund expenses is due to a reduction in the Administrative Fund Allocation, operating reserve, utilities, purchase of new equipment, well abandonment program and Newport News Project Development Agreement operating costs. The increase in FY 2012 expenses is for health insurance premiums and a modest reinstatement of an operating reserve.