

**RESOLUTION NO. 12-09-05**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE KEY LARGO WASTEWATER TREATMENT DISTRICT ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 2006 FOR THE DISTRICT LOCATED IN MONROE COUNTY, FLORIDA; PROVIDING FOR THE GENERAL MANAGER TO EXPEND FUNDS ON BEHALF OF THE DISTRICT; AND PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT;**

**Section 1. DISTRICT.**

Pursuant to the Key Largo Wastewater Treatment District Act (Ch.2002-337, Laws of Florida, as amended) (the "Act"), the Board of Directors of the Key Largo Wastewater Treatment District (the Board) has the power and the duty to adopt budgets for and on behalf of the Key Largo Wastewater Treatment District (the "District").

**Section 2. ADOPTION OF THE BUDGET AND AUTHORIZATION TO EXPEND FUNDS.**

(A) The District Utility System Operating Budget, and Capital Improvement Budget for the Fiscal Year ending September 30, 2006, attached hereto as Exhibits "A" and "B", respectively, are incorporated herein and are hereby adopted. Collectively, the Operating Budget and the Capital Improvement Budget shall be hereinafter known as the "Budgets."

(B) The General Manager is hereby authorized to expend funds of the District for official purposes of the operation, maintenance, billing, customer services, construction, debt service payment, capital improvements and other business activities of the District in accordance with the adopted Budgets.

(C) No contract or other commitment of funds, written or oral, shall be entered into without the certification of the Finance Officer, that such contract or other commitment of funds is in the budget and that sufficient cash to meet the contractual or other commitment of funds will be available within the time allowed for payment under the Florida Prompt Payment Act. When such certification is made, the Finance Officer shall record this action in the financial records of the District so to encumber those funds and prevent their being used for other expenditures prior to the completion of the commitment for which the funds were approved. The Finance Officer may adjust the actual restricted amount as he determines that such a change is warranted due to the activities related to the commitment.

(D) The Operating Budget contains the following categories of Operating Revenue, Operating Expenses, and Non-Operating Expenses. The amounts shown

within such categories are established as a target level for each specific type of revenue or expenditure indicated. Recognizing that the items listed in the Budgets may actually be higher or lower than those estimated, the Finance Officer is authorized to reallocate the adopted Budgets within each category. Allocation of funds from one category to another is prohibited. Only the Board is authorized to increase the budgeted amounts for a category.

(E) The General Manager is authorized to spend funds not in the Budgets in the event of an emergency related to the KLWTD Utility System which is reasonably believed may result in danger or injury to persons, damage to assets of the District, or the material loss of the district to provide wastewater services. As soon as possible thereafter the General Manager or Finance Officer shall report to the Chairman any such actions taken or to be taken in such circumstances. However, such communication shall occur no later than 24 hours after such actions or events.

(F) The Finance Officer shall notify the Board when he determines that the actual revenues of a utility system are likely to be less than those indicated in the adopted Budgets and shall also prepare proposed revised Budgets for the Board's review and consideration.

(G) Pursuant to Resolution 01-01-05, any disbursement in excess of \$10,000, other than emergency contracts as provided in Sections 2(E) of this Resolution, must be approved by the Board prior to entering into such a contract.

(H) Pursuant to Resolution 01-01-05, any work order equal to or in excess of \$10,000 for a professional services contract previously approved by the Board, must be approved by the Board prior to accepting such a work order. Those work orders less than \$10,000 for such contracts do not require prior Board approval but will be presented to the Board for ratification.

(I) The Board authorizes the General Manager and the Finance Officer to do all acts and things required of them by this Resolution and the Budgets for the full, punctual, and complete performance thereof, and the Chairman and each member of the Board, officers, attorneys, and other agents of the District are hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done all acts and things necessary or proper for carrying out the Budgets and transactions contemplated by this Resolution, or Florida Statutes.

**Section 3. APPLICABILITY AND EFFECTIVE DATE.**

This resolution shall take effect upon adoption by the Board of Commissioners.

INTENTIONALLY LEFT BLANK

**RESOLVED AND ADOPTED this 7<sup>th</sup> of September, 2005.**

The foregoing RESOLUTION was offered by Commissioner PATTON, who moved its approval. The motion was seconded by Commissioner Bullock, and being put to a vote the result was as follows:

	AYE	NAY
Chairman Charles Brooks	<u>X</u>	_____
Commissioner Gary Bauman	<u>X</u>	_____
Commissioner Glenn Patton	<u>X</u>	_____
Commissioner Andrew Tobin	<u>X</u>	_____
Commissioner Claude Bullock	<u>X</u>	_____

The Chairman thereupon declared Resolution No. 12-09-05 duly passed and adopted the 7<sup>th</sup> day of September, 2005.

**KEY LARGO WASTEWATER TREATMENT DISTRICT**

BY: C Brooks

Chairman Charles Brooks

ATTEST:

Carol Simpkins

Carol Simpkins, Clerk

Approved to as to form and legal sufficiency

Thomas M. Dillon

District Counsel, Thomas M. Dillon





**EXHIBIT A**

**Key Largo Wastewater Treatment District  
FY 2006 Operating Budget**

	<b>Proposed Budget FY 2006</b>		<b>Proposed Budget FY 2006</b>
<b>OPERATING REVENUE</b>		<b>OPERATING EXPENSES (Continued)</b>	
Wastewater Service Revenue	\$ 297,792	<b>System Operating Expenses</b>	
MSTU Revenue	586,941	Operating Payroll	61,167
Interest Income	2,500	Payroll Taxes	4,679
Miscellaneous Income	3,000	Health Insurance	7,952
<b>Subtotal Operating Revenue</b>	<b>890,233</b>	Workers Comp Insurance	3,500
<b>NON-OPERATING REVENUE</b>		Property Insurance	16,000
System Development Fees	405,450	Vehicle Expense	10,130
Non Ad valorem Assessments	167,040	Electric	24,500
Interest Income	2,110	Water	3,000
<b>Subtotal Non-Operating Revenue</b>	<b>572,490</b>	Chemicals	8,000
<b>TOTAL REVENUES</b>	<b>\$1,462,723</b>	Sludge Hauling	18,000
		Supplies	2,500
		Lab Services	7,500
		Start-Up Expenses	15,000
		Repairs and Maintenance	15,000
		Miscellaneous Expenses	14,000
		<b>Sub-total System Operating Expenses</b>	<b>210,928</b>
<b>OPERATING EXPENSES</b>		<b>Professional Services</b>	
<b>Administrative Expenses</b>		Legal - General Counsel	60,000
Board Meeting Compensation	45,000	Legal - Litigation Reserve	20,000
Administrative Payroll	204,175	Legal - Bond Counsel	10,000
Payroll Taxes	19,062	Financial Advisor	25,000
Health Insurance	26,543	Utility Rate Consultant	15,000
Workers Comp Insurance	12,440	Engineering Services	50,000
Billing Service	17,000	Audit Fees	16,000
Copier Expense	3,500	Computer Support	2,000
Postage/Delivery Expense	5,500	Project Planning Contingency	10,000
Liability Insurance	37,000	<b>Subtotal Professional Services</b>	<b>208,000</b>
Property Insurance	1,400		
Legal Advertisements	7,000	<b>Total Operating Expenses</b>	<b>\$ 863,086</b>
Office Supplies	10,000		
Travel	5,000	<b>NON-OPERATING EXPENSES</b>	
Rents & Leases	29,400	Capital Expenditures from Operating Account	7,000
Electric	3,360	Renewal and Replacement Transfer	14,890
Water	700	Debt Service Transfer (Monroe County \$100,000 Loan)	109,273
Telephone	7,200	<b>Total Non-Operating Expenses Paid From Operating Revenue</b>	<b>131,163</b>
Dues & Subscriptions	700		
Miscellaneous Expenses	5,000	Transfer To (From) Operating Reserve	(104,015)
Bad Debts	2,978	Transfer To (From) Capital Reserve	572,490
Reserve for Contingencies	1,200	<b>Total Non-Operating Expenses Paid From Non-Operating Revenue</b>	<b>468,475</b>
<b>Sub-total Administrative Expenses</b>	<b>444,158</b>		
		<b>TOTAL EXPENSES</b>	<b>\$1,462,723</b>

**EXHIBIT B**

**Key Largo Wastewater Treatment District  
FY 2006 Capital Improvement Budget**

(\$ in thousands)

**Revenue (Sources of Funds):**

	Key Largo Trailer Village	Key Largo Park	Calusa Campground	North Components	Total
State and Local Grants	\$ 1,768	\$ 1,601	-	-	\$ 3,369
System Development Fees	-	371	-	-	371
Non Ad valorem Assessments	-	167	34	-	201
County Infrastructure Bonds	-	-	-	8,505	8,505
State Revolving Fund Loan	-	-	-	100	100
New Funding	-	-	1,101	-	1,101
<b>Total Funds Available</b>	<b>\$ 1,768</b>	<b>\$ 2,139</b>	<b>\$ 1,135</b>	<b>\$ 8,605</b>	<b>\$ 13,647</b>

**Expenses (Uses of Funds):**

**Construction of New Facilities:**

Engineering	\$ 15	\$ 15	\$ 100	\$ 1,770	\$ 1,900
Mitigation	295	-	-	-	295
Waste Treatment	959	-	-	1,900	2,859
Transmission Lines	100	100	-	4,900	5,100
Collection Systems	300	1,978	1,000	-	3,278
Project Management	99	46	35	35	215
<b>Total Estimated Expenses</b>	<b>\$ 1,768</b>	<b>\$ 2,139</b>	<b>\$ 1,135</b>	<b>\$ 8,605</b>	<b>\$ 13,647</b>