

RESOLUTION NO. 41-09-06

A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE KEY LARGO WASTEWATER TREATMENT DISTRICT ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2007 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, 2007, 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, Non-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.

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RESOLVED AND ADOPTED this 20th of September, 2006.

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

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

The Chairman thereupon declared Resolution No. 41-09-06 duly passed and adopted the 20th day of September, 2006.

KEY LARGO WASTEWATER TREATMENT DISTRICT

BY: Claude M. Bullock

Chairman Claude Bullock

ATTEST:

Carol Walker

Carol Walker, 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 2007 Operating Budget**

	<u>FY 2007</u>		<u>FY 2007</u>
OPERATING REVENUE		OPERATING EXPENSES (Continued)	
Wastewater Service Revenue	\$ 498,500	Wastewater Operations Expenses	
MSTU Revenue	845,749	Operating Payroll	135,025
Interest Income	-	Payroll Taxes	10,329
Miscellaneous Service Charges	2,000	Health Insurance	11,000
Subtotal Operating Revenue	<u>1,346,249</u>	Workers Comp Insurance	6,441
		Property Insurance	10,000
NON-OPERATING REVENUE		Vehicle Expense	15,130
SDC Prepayments	420,000	Electric	17,000
Non Ad Valorem Assessments	1,800,000	Water	1,200
Interest Income	25,000	Lab Supplies	7,500
Subtotal Non-Operating Revenue	<u>2,245,000</u>	Chemicals	14,875
		Sludge Hauling	44,260
TOTAL REVENUES	<u><u>\$3,591,249</u></u>	Supplies	7,500
		Lab Services	15,000
OPERATING EXPENSES		Supplemental Operating Support	8,320
Administrative & Project Development Expenses		Telephone	4,500
Board Meeting Compensation	42,000	Repairs and Maintenance	11,000
Administrative Payroll	263,050	Billing Service	20,000
Payroll Taxes	23,336	Travel Expense	4,500
Retirement Program	13,500	Miscellaneous Expenses	9,000
Health Insurance	18,000	Reserve for Contingency	20,000
Workers Comp Insurance	11,837	Sub-total Wastewater Operations Expenses	<u>372,580</u>
Copier Expense	9,000		
Postage/Delivery Expense	25,000	Professional Services	
Liability Insurance	40,000	Legal - General Counsel	65,000
Property Insurance	800	Legal - Litigation Reserve	25,000
Legal Advertisements	11,000	Utility Rate Consultant	20,000
Office Supplies	18,000	Engineering Services	50,000
Travel	8,000	Audit Fees	18,000
Rents & Leases	29,400	Computer Support	5,000
Electric	3,500	Government Representation	100,000
Water	500	Project Planning Contingency	50,000
Telephone	8,500	Subtotal Professional Services	<u>333,000</u>
Repairs & Maintenance	1,000		
Dues & Subscriptions	750	Total Operating Expenses	<u>\$1,251,253</u>
Bank Fees	750		
Miscellaneous Expenses	13,250	NON-OPERATING EXPENSES	
Bad Debts	1,000	Admin. & Project Devmpt. Capital Expenditures from Operating Account	7,000
Reserve for Contingencies	3,500	Wastewater Operations Capital Expenditures from Operating Account	40,000
Sub-total Administrative & Project Development Expenses	<u>545,673</u>	Windstorm Reserve	12,463
		Renewal and Replacement Transfer	24,925
		Total Non-Operating Expenses Paid From Operating Revenue	<u>84,388</u>
		Debt Service Transfer (SRF Loan)	38,114
		Transfer To (From) Operating Reserve	10,608
		Transfer To (From) Capital Reserve	2,206,886
		Total Non-Operating Expenses Paid From Non-Operating Revenue	<u>2,255,608</u>
		TOTAL EXPENSES	<u><u>\$3,591,249</u></u>

EXHIBIT B

KEY LARGO WASTEWATER TREATMENT DISTRICT

FY2007 CAPITAL IMPROVEMENTS BUDGET

ESTIMATED PROJECT COSTS (\$ in thousands):

	PRIOR	FY 2006 Est.	Budget FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	TOTALS
Key Largo Trailer Village	8,234	1,361						9,595
Key Largo Park	504	2,795						3,299
North Components	56	1,424	34,323	7,667				43,470
Completion Components			4,290	12,530	49,130	29,580		95,530
TOTAL COST	8,794	5,580	38,613	20,197	49,130	29,580		151,894

FUNDING SOURCES (\$ in thousands):

	PRIOR	FY 2006 Est.	Budget FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	TOTALS
Federal & State Grants	5,617	3,631	2,145	3,893				15,286
County Grants	2,654	3,550	16,300					22,504
SDC		91						91
SRF Loan		1,585	17,081	14,265	24,565	14,790		72,286
To Be Identified				2,372	24,565	14,790		41,727
TOTAL FUNDING	8,271	8,857	35,526	20,530	49,130	29,580		151,894