

RESOLUTION NO. 13-09-07

A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE KEY LARGO WASTEWATER TREATMENT DISTRICT ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 2008 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, 2008, 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) Subject to the limitation in Section 2(G), below, 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 Chief Financial 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 Chief Financial 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 Chief Financial 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 Chief Financial 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 Chief Financial 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 Chief Financial 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, except for emergency expenditures under Section 3(E), above, 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 Chief Financial 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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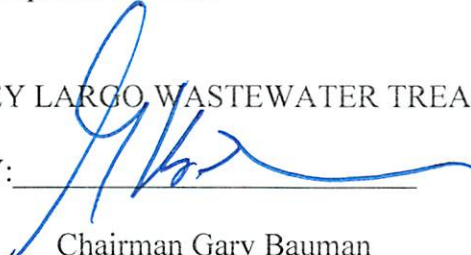
RESOLVED AND ADOPTED this 11th of September, 2007.


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

	AYE	NAY
Chairman Gary Bauman	<u>X</u>	—
Commissioner Claude Bullock	<u>X</u>	—
Commissioner Susan Hammaker	<u>X</u>	—
Commissioner Norman Higgins	<u>X</u>	—
Commissioner Andrew Tobin	<u>X</u>	—

The Chairman thereupon declared Resolution No. 13-09-07 duly passed and adopted the 11th day of September, 2007.

KEY LARGO WASTEWATER TREATMENT DISTRICT

BY: 
Chairman Gary Bauman

ATTEST:

Carol Walker, Clerk

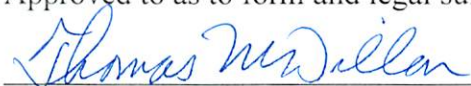
Approved to as to form and legal sufficiency

District Counsel, Thomas M. Dillon



EXHIBIT A

Key Largo Wastewater Treatment District FY 2008 Operating Budget

	<u>FY 2008</u>		<u>FY 2008</u>
OPERATING REVENUE		OPERATING EXPENSES (Continued)	
Wastewater Service Revenue	\$ 755,850	Wastewater Service Operations Expenses	
MSTU Revenue	950,000	Operating Payroll	258,975
Miscellaneous Service Charges	4,500	Payroll Taxes	19,812
Subtotal Operating Revenue	<u>1,710,350</u>	Health Insurance	24,000
		Workers Comp Insurance	12,353
NON-OPERATING REVENUE		Property Insurance	8,500
SDC Prepayments	650,000	Vehicle Expense	17,000
Non Ad Valorem Assessments	2,900,000	Electric	42,700
Interest Income	260,000	Water	1,250
Subtotal Non-Operating Revenue	<u>3,810,000</u>	Rents & Leases	6,000
		Chemicals	61,000
TOTAL REVENUES	<u><u>\$5,520,350</u></u>	Sludge Hauling	58,500
		Supplies	14,000
		Lab Services	13,000
		Supplemental Operating Support	8,000
		Telephone	5,000
		Repairs and Maintenance	15,000
OPERATING EXPENSES		Billing Service	17,500
Administrative & Project Development Expenses		Travel Expense	1,500
Board Meeting Compensation	39,000	Miscellaneous Expenses	6,000
Administrative Payroll	338,993	Reserve for Contingency	10,000
Payroll Taxes	28,916	Sub-total Wastewater Operations Expenses	<u>600,090</u>
Retirement Program	-		
Health Insurance	18,000	Professional Services	
Workers Comp Insurance	12,000	Legal - General Counsel	65,000
Copier Expense	5,300	Legal - Litigation Expense	22,000
Postage/Delivery Expense	30,000	Utility Rate Consultant	2,000
Liability Insurance	75,592	Engineering Services	75,000
Property Insurance	800	Audit Fees	22,000
Legal Advertisements	8,000	Computer Support	5,000
Office Supplies	21,500	Lobbyists	65,000
Travel	8,500	Government Relations	15,000
Rents & Leases	31,700	Project Planning Contingency	35,000
Electric	3,250	Subtotal Professional Services	<u>304,000</u>
Water	200		
Telephone	8,500	Total Operating Expenses	<u><u>\$1,560,791</u></u>
Repairs & Maintenance	1,000		
Dues & Subscriptions	1,700	NON-OPERATING EXPENSES	
Bank Fees	750	Admin. & Project Devmpt. Capital Expenditures from Operating Account	10,000
Miscellaneous Expenses	18,000	Wastewater Operations Capital Expenditures from Operating Account	45,000
Reserve for Contingencies	5,000	Windstorm Reserve	18,896
Sub-total Administrative & Project Development Expenses	<u>656,701</u>	Renewal and Replacement Transfer	37,793
		Total Non-Operating Expenses Paid From Operating Revenue	<u>111,689</u>
		Debt Service Transfer (SRF Loan)	58,380
		Transfer To (From) Operating Reserve	37,870
		Transfer To (From) Capital Reserve	3,751,620
		Total Non-Operating Expenses Paid From Non-Operating Revenue	<u>3,847,870</u>
		TOTAL EXPENSES	<u><u>\$5,520,350</u></u>

Exhibit B

KEY LARGO WASTEWATER FACILITIES BUILD-OUT FINANCIAL PLAN

(\$000's)

	Capital Spending and Funding Plan						
	<u>FY 2006 & Prior</u>	<u>Outlook FY 2007</u>	<u>Budget FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011 & Beyond</u>	<u>Total Cost</u>
Actual / Estimated Project Costs:							
Initial Treatment Plant (0.183 mgd)	\$ 4,290	\$ 10					\$ 4,300
Collection Basin E (KLTV & KLP)	7,268	33					7,301
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Regional Treatment Plant (2.3 mgd)	325	960	14,557	6,817			22,659
North Transmission Line	1,110	1,785					2,895
South Transmission Line		50	4,240				4,290
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Collection Basin A	340	1,110	7,005	300			8,755
Collection Basin B		175	5,000	9,404			14,579
Collection Basin C		157	3,000	7,686			10,843
Collection Basin D	234	185	8,142	600			9,161
Collection Basin E (Remainder)			150	1,478	1,600		3,228
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Collection Basin F			200	2,000	7,044		9,244
Collection Basins G - F				1,150	18,950	35,870	55,970
Total Spending Projection	\$ 13,567	\$ 4,465	\$ 42,454	\$ 33,435	\$ 27,594	\$ 35,870	\$ 157,385
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Capital Funding Sources:							
Federal Grants	5,208						5,208
State Grants	4,041	400	5,638				10,079
County Grants	1,678	1,900	4,800	4,500	4,500	4,300	21,678
SRF Loans	2,640	2,165	32,016	27,000	11,179		75,000
Identified Sources & Commitments	\$ 13,567	\$ 4,465	\$ 42,454	\$ 31,500	\$ 15,679	\$ 4,300	\$ 111,965
Unidentified Funding Sources				\$ 1,935	\$ 11,915	\$ 31,570	\$ 45,420