

**RESOLUTION NO. 28-09-09**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE KEY LARGO WASTEWATER TREATMENT DISTRICT ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 2010 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, 2010, 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 15<sup>th</sup> of September, 2009.**

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

	AYE	NAY
Chairwoman Susan Hammakerr	<u>X</u>	_____
Commissioner Charles Brooks	<u>X</u>	_____
Commissioner Robert Majeska	<u>X</u>	_____
Commissioner Norman Higgins	<u>X</u>	_____
Commissioner Andrew Tobin	<u>X</u>	_____

The Chairman thereupon declared Resolution No. 28-09-09 duly passed and adopted the 15<sup>th</sup> day of September, 2009.

**KEY LARGO WASTEWATER TREATMENT DISTRICT**

BY: 

Chair Susan Hammaker

ATTEST:



Carol Walker, District Clerk

Approved to as to form and legal sufficiency



District Counsel, Thomas M. Dillon



**Key Largo Wastewater Treatment District  
FY 2010 Operating Budget**

	<u>FY 2010</u>		<u>FY 2010</u>
<b>OPERATING REVENUE</b>		<b>OPERATING EXPENSES (Continued)</b>	
Wastewater Service Revenue	\$2,016,988	<b>Wastewater Service Operations Expenses</b>	
MSTU Revenue	-	Operating Payroll	401,270
Bank Line of Credit	588,284	Payroll Taxes	30,697
Miscellaneous Service Charges	100,000	Retirement Program	12,038
<b>Subtotal Operating Revenue</b>	<u>2,705,272</u>	Health Insurance	68,000
		Workers Comp Insurance	15,489
<b>NON-OPERATING REVENUE</b>		Property Insurance	55,000
SDC Prepayments	100,000	Vehicle Expense	27,000
Non Ad Valorem Assessments	5,500,000	Electric	73,820
Interest Income	175,000	Water	2,000
<b>Subtotal Non-Operating Revenue</b>	<u>5,775,000</u>	Chemicals	69,000
		Sludge Hauling	112,000
<b>TOTAL REVENUES</b>	<u><u>\$8,480,272</u></u>	Supplies	40,000
		Lab Services	14,000
<b>OPERATING EXPENSES</b>		Supplemental Operating Support	25,000
<b>Administrative &amp; Project Development Expenses</b>		Telephone	10,000
Board Meeting Compensation	54,000	Repairs and Maintenance	100,000
Administrative Payroll	318,750	Billing Service	65,000
Payroll Taxes	28,515	Travel Expense	8,000
Retirement Program	31,875	Start-Up Expenses	100,000
Health Insurance	50,000	Miscellaneous Expenses	15,000
Workers Comp Insurance	17,500	Reserve for Contingency	166,197
Copier Expense	4,800	<b>Sub-total Wastewater Operations Expenses</b>	<u>1,409,511</u>
Postage/Delivery Expense	100,000		
Liability Insurance	32,500	<b>Professional Services</b>	
Property Insurance	1,150	Legal - General Counsel	55,000
Legal Advertisements	8,000	Legal - Litigation Reserve	20,000
Office Supplies	40,000	Utility Rate Consultant	2,000
Travel	15,000	Engineering Services	50,000
Rents & Leases	31,340	Audit Fees	24,000
Electric	4,900	Computer Support	4,500
Water	260	Project Planning Contingency	50,000
Telephone	6,500	Lobbyists	85,000
Repairs & Maintenance	1,500	<b>Subtotal Professional Services</b>	<u>290,500</u>
Dues & Subscriptions	4,000		
GSG Tax Roll Services	4,500	<b>Total Operating Expenses</b>	<u><u>\$2,477,101</u></u>
Miscellaneous Expenses	19,000		
Reserve for Contingencies	3,000	<b>NON-OPERATING EXPENSES</b>	
<b>Sub-total Administrative &amp; Project Development Expenses</b>	<u>777,090</u>	Admin. & Project Devmpt. Capital Expenditures from Operating Account	8,000
		Wastewater Operations Capital Expenditures from Operating Account	50,000
		Renewal and Replacement Transfer	151,274
		<b>Total Non-Operating Expenses Paid From Operating Revenue</b>	<u>209,274</u>
		Debt Service Transfer (SRF Loan)	1,556,277
		Debt Service (LOC Loan)	21,000
		Transfer To (From) Capital Reserve	4,216,620
		<b>Total Non-Operating Expenses Paid From Non-Operating Revenue</b>	<u>5,793,897</u>
		<b>TOTAL EXPENSES</b>	<u><u>\$8,480,272</u></u>

EXHIBIT "A"

**EXHIBIT B**

**KEY LARGO WASTEWATER FACILITIES BUILD-OUT FINANCIAL PLAN**

(\$000's)

	Capital Spending and Funding Plan					
	Outlook FY 2009 & Prior	Capital Budget FY 2010	Projection		Total Cost	EDU's Served
			FY 2011	FY 2012		
<b>Actual / Estimated Project Costs:</b>						
(1) Initial Treatment Plant (0.183 mgd)	\$ 3,626				\$ 3,626	
(2) Collection Basin E (KLTV & KLP)	8,319				8,319	1,144
(3) Regional Treatment Plant (2.3 mgd)	15,660	11,570			27,230	
(4) North Transmission Line	2,592				2,592	2,080
(5) South Transmission Line	400	5,384			5,784	3,662
(6) Collection Basin A	6,596				6,596	745
(7) Collection Basin B	3,763	4,927			8,690	758
(8) Collection Basin C	3,705	4,995			8,700	1,017
(9) Collection Basin D	5,300	2,813			8,113	601
(10) North Vacuum Stations (2)	1,350	1,470			2,820	
(11) Collection Basin E & F	1,075	14,440			15,515	1,283
(12) Collection Basin G	250	3,000	3,900		7,150	471
(13) Collection Basin H	250	2,000	3,160		5,410	407
(14) Collection Basin I	300	11,490	2,000		13,790	420
(15) Collection Basin J	300	3,710	7,000		11,010	390
(16) Collection Basin K	300	9,075			9,375	488
(17) South Vacuum Stations (3)		4,500			4,500	
(18) Construction Management (Weiler)	860	550	140		1,550	
(19) Land Acquisition & Mitigation	685	200			885	
(20) Other Expenses	750	1,150	200		2,100	
(21) KLWTD Staff (Mgmt. & Legal)	1,350	1,600	350		3,300	
<b>Total Spending Projection</b>	<b>\$ 57,431</b>	<b>\$ 82,874</b>	<b>\$ 16,750</b>	<b>\$ -</b>	<b>\$ 157,055</b>	<b>13,466</b>
<b>Capital Funding Sources:</b>						
(17) Federal Grants	5,344				5,344	
(18) ACOE Grants	2,000	5,950			7,950	
(19) State Grants	10,004				10,004	
(20) County Grants	9,400	12,600			22,000	
(21) SRF Loans	23,581	10,000			33,581	
(22) RWA Interim Funding Loans	7,102	8,000			15,102	
(23) Bank Loan		30,000			30,000	
(24) Identified Sources & Commitments	<b>\$ 57,431</b>	<b>\$ 66,550</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 123,981</b>	
Identified Funding Requirement **		<b>\$ 16,324</b>	<b>\$ 16,750</b>	<b>\$ -</b>	<b>\$ 33,074</b>	

Assessment  
Loan Capacity  
\$82 million

\*\* Potential Options

- (1) ACOE Grant Reallocation Funding
- (2) Southern Collection Systems Cost Under Run
- (3) Wastewater Service Operations Surplus (Loan)