



**NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY**

DATE: November 16, 2010  
TO: NBCMA Board of Directors  
FROM: Thomas A. Zeuner – Executive Director  
RE: EXECUTIVE SUMMARY: 2011 Budget Narrative

**AUTHORITY OVERVIEW SUMMARY 2010 / 2011**

**2010 SUMMARY:**

The Authority budgeted an income before depreciation of \$1.737 thousand, for the fiscal year 2010 ending October 31, 2010. The unaudited statement for 2010 shows an income before depreciation of \$1.907 million, including budgeted grant monies received. Budgeted income including depreciation and amortized bond costs indicated a loss of \$1.072 million. Up until the last quarter of fiscal year 2010, revenue was 15% below budget due to general economic downturn and unusual low seasonal consumption demand. Fortunately, the last quarter of fiscal year 2010 showed an increase in revenue by 20.4 %. The unaudited financial statement indicates a loss of \$727 thousand for 2010 which is subject to year end audit adjustments.

Customer billing revenues for the fiscal year increased 5.54% percent or \$538 thousand from the budgeted \$9.7 million.

**2011 SUMMARY:**

The Authority budgeted an income before depreciation of \$304 thousand, for the fiscal year 2011, ending October 31, 2011.

Our 2011 Operational Budget does include a one-time income stream of \$500 thousand from a EPA Federal Grant in support of the West End Sanitary Sewer Project.

Consumption demand for 2011 is forecasted to be in line with 2010 activity.

The 2011 Operating Budget does not show any income from tapping fees or assessments from the West End Sewer Project. Although income is anticipated, cash flow for that activity cannot be effectively predicted. As the Board is aware, a tapping fee payment plan was offered to property owners within

Sewer District No. 3. There is a mandatory connection requirement for non-residential properties. Tapping fees for industrial properties only is calculated to total (252 EDU's) or \$2.52 million dollars. A five year tapping fee payment plan at 3.8% percent interest was offered to property owners within the District. Each property owner within District No. 3 must decide if they wish to participate in the tapping fee payment plan by February 1, 2011. It is unknown and speculative to predict the level of property owners participation in the tapping fee payment plan, thus cash flow projections remain unbudgeted at this time.

Final determination of monetary assessments for Sewer District No. 3 as of this date are pending engineering certification of substantial completion, final tally of Project cost calculations, receipt of Federal EPA Grant monies and ratification by the Authority board.

#### **CAPITAL BUDGET:**

No new capital projects are budgeted for 2011.

Cash reserves of the Authority were reduced significantly due to the extensive 2010 capital projects program including the West End Sanitary Sewer Project and the Ironworks Creek Interceptor Rehabilitation Project. The proposed 2011 Capital Budget only includes those contracts already awarded by the Authority and remain to be completed in fiscal year 2011.

Should future capital projects warrant amending the approved 2011 Capital Budget, The Executive Director will present to the Board its recommendation at that time for Board consideration.

#### **SEWER RATES:**

Management has budgeted a pass through 16% rate increase for sanitary sewer services based upon the communication received from the Bucks County Water & Sewer Authority dated October 8, 2010. We have been advised by Bucks County Water & Sewer Authority that they are currently in arbitration with the City of Philadelphia and such rate increase is necessary in the interim. This rate will be reevaluated based upon the outcome of the arbitration process.

Bucks County Water & Sewer Authority has raised our sanitary sewer rates 100% since 2003. Management is recommending implementation of the change effective for our January 1, 2011 billing cycle. If the Board endorses such action, the Executive Director will prepare amendments to the Rates Rules and Regulations of the Authority.

The Executive Director is recommending capping residential sanitary sewer charges at 45,000 gallons per quarter in recognition that flows in excess of that level most likely do not enter the public sanitary sewer system. The amendment is recommended with the stipulation that Authority meter records must not show a water leak indication during the billing period. The Executive Director is recommending implementation of the change effective for our January 1, 2011 billing cycle. If the Board endorses such action, the Executive Director will prepare proposed amendments to the Rates Rules and Regulations of the Authority.

The Executive Director is recommending amendment to our regulations giving "sewer only customers" the option of having their private well metered to determine sanitary sewer flows in lieu of a flat rate methodology. Management is recommending implementation of the change effective for our January 1, 2011 billing cycle. If the board endorses such action, the Executive Director will prepare proposed amendments to the Rates Rules and Regulations of the Authority.

#### **WATER RATES:**

The Authority has been notified by Arthur J. Hass CFO /Controller of the Bucks County Water & Sewer Authority of a new wholesale water rate effective January 1, 2011, increasing rates by 30%. They have also assessed a new base fee charge for wholesale customers effective January 1, 2011.

Wholesale water rates from Bucks County Water & sewer Authority have increase in excess of 85% over the last seven (7) years when you incorporate this new rate increase. This Authority has maintained stable rates since the Fall of 2005.

We have budgeted a 18% rate increase for public water services. The Executive Director is recommending implementation of the change effective for our January 1, 2011 billing cycle. If the Board endorses such action, the Executive Director will prepare proposed amendments to the Rates Rules and Regulations of the Authority.

#### **ADMINISTRATIVE / GENERAL MANAGEMENT:**

Our Volume No. 1 Fall NBCMA newsletter has received positive customer feedback. Although favorably response was received, in order to reduce costs, the Executive Director is not including a newsletter in our 2011 operating budget.

The Executive Director has budgeted for and is recommending a significantly higher monetary employee participation level for benefit coverage (health & dental). This change will affect all full time non-union administrative employees. The effective date of change is planned for January 1, 2011. Annual employee participation in funding the benefit coverage will increase from current levels by 72% for single individuals, 187% for parent with child, 278% for married couples and 358% for family coverage.

In fiscal year 2010 The Authority ratified a three year Collective Bargaining Agreement with the Teamster Local 107 for Union Maintenance employees. The Union employees are now provided benefit coverage via the Teamster Union Health and Welfare Fund for Healthcare, Dental, and Disability.

The Executive Director has budgeted for a 3% wage increase for all non-union administrative employees with an effective date of the first day of the 2011 fiscal year (November 1, 2010).

The Executive Director has budgeted for a 3% wage increase for all union employees in accordance with the terms and conditions of the Collective Bargaining Unit with an effective date of January 1, 2011.

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT					
				<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>
<b>OPERATING REVENUE - WATER</b>					
Watr Usage-Customr Billing	01-	000-	4001	3,600,000	4,300,000
Water Late Charges	01-	000-	4003	51,000	52,000
Water Usage - Other	01-	000-	4022		0
Water Cert. Fees	01-	000-	4041	5,000	7,500
State Hwy. Opening Fees	01-	000-	4061	3,000	3,000
Customer Facilities Fees	01-	000-	4065	0	0
Connection Fees-Non-Dev	01-	000-	4081	3,000	2,000
Connection Fees-Developer	01-	000-	4082	0	500
Watr Tappng Fees-NonDev	01-	000-	4101	10,000	3,500
Water Tapping Fees-Dev	01-	000-	4103	0	30,000
Eng. Feas Revw Fee-NBCMA	01-	000-	4123	0	400
Eng Design Rev Fee-NBCMA	01-	000-	4124	0	500
Eng Master Plan Changes	01-	000-	4125	0	0
Eng. Inspections - Pennoni	01-	000-	4126	2,000	3,000
Eng. Supervision - Pennoni	01-	000-	4127	0	0
Eng Feas Revw Fees-Pennoni	01-	000-	4128	0	0
Eng Design Rev Fees-Pennoni	01-	000-	4129	0	0
Water Testing	01-	000-	4143	0	0
Special Maintenance Service	01-	000-	4145	0	0
Fire & Sprinkler Service	01-	000-	4162	33,000	34,000
Hydrant Flow Testing	01-	000-	4163	0	0
Computer Modeling Fees	01-	000-	4181	0	500
W-Developer Dedication Fees	01-	000-	4183	500	0
W-Assessment Fees	01-	000-	4185	0	0
Hydrant Sales	01-	000-	4341	0	0
Water Meter Sales	01-	000-	4301	4,000	4,000
Map Sales	01-	000-	4361	50	10
Legal OH & Reimbursed Cost	01-	000-	4402	500	500
Legal Fees - Dev. Agmts.	01-	000-	4441	500	750
Professional Svc Fees	01-	000-	4445	500	500
Reimbursement Adm Fees	01-	000-	4501	0	
Cell Tower Rental	01-	000-	4502	20,000	22,000
Misc. Rev. - Water Post/NSF	01-	000-	4901	23,000	30,000
Misc. Operating Rev.	01-	000-	4902	3,000	3,000
Reimbursement Adm Fees	01-	000-	4903		
<b>TOTAL WATER REVENUE</b>				<b>3,759,050</b>	<b>4,497,660</b>

2010prelimbudget.XLS						
FINAL BUDGET FY 2010						
APPROVED DATE 11/18/09						
BREAKDOWN OF BUDGET BY ACCOUNT					<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>	
<b>OPERATING REVENUE-SEWER</b>						
Sewer Rental-Custmr Billing	02-	000-	4001	6,100,000	7,037,000	
Sewer Late Charges	02-	000-	4003	90,000	100,000	
Sewer Cert. Fees	02-	000-	4041	5,000	8,000	
State Hwy. Opening Fees	02-	000-	4061	2,000	2,000	
Customer Facillities Fees	02-	000-	4065	0	0	
Connection Fees-Non-Dev	02-	000-	4081	0	0	
Connection Fees - Devlopr	02-	000-	4082	0	0	
Sewer Tap Fee-Non-Dev	02-	000-	4101	14,345	0	
Sewr Tap/Sadl Fee-NonDev	02-	000-	4102	0	0	
Sewer Tappng Fees-Devlopr	02-	000-	4103	0	60,000	
Eng Feas Revw Fee-NBCMA	02-	000-	4123	100	500	
Eng Desgn Revw FeeNBCMA	02-	000-	4124	200	500	
Eng. Master Plan Changes	02-	000-	4125	0	300	
Eng. Inspections - Pennoni	02-	000-	4126	3,000	4,000	
Eng. Supervision - Pennoni	02-	000-	4127	0	0	
Eng Desgn Revw FeePenoni	02-	000-	4129	0	0	
Sewer Testing	02-	000-	4143	0	0	
Special Maintenance Service	02-	000-	4145	0	0	
S Facility Plann Module Fees	02-	000-	4182	500	0	
S Developer Dedication Fees	02-	000-	4183	0	0	
S Lateral/Assessment Fees	02-	000-	4185	0	0	
Map Sales	02-	000-	4361	50	5	
Legal OH & Reimbursed Costs	02-	000-	4402	500	3,000	
Legal Fees - Dev. Agmts.	02-	000-	4441	500	1,000	
Profession Service Fees	02-	000-	4445	0	0	
Sewer Insurance Claim rec'd	02-	000-	4501	0	0	
Sewer Project Grant Rev	02-	000-	4503	0	0	
Misc. Rev. - Sewer Op.-NSF	02-	000-	4901	400	500	
Misc. Operating Rev.	02-	000-	4902	8,000	16,000	
Reimbursement Adm Fees	02-	000-	4903	0	0	
<b>TOTAL SEWER REVENUE</b>				<b>6,224,595</b>	<b>7,232,805</b>	
<b>TOTAL OPERATING REVENUE</b>				<b>9,983,645</b>	<b>11,730,465</b>	

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT				FINAL	NBCMA PROPOSED
				2010 BGT	2011 BGT
<b>WATER ADMINISTRATIVE EXPENSE</b>					
Admin. Salaries	01-	001-	5001	300,000	312,000
Admin. Salaries Overtime	01-	001-	5002	500	500
Board Member Salaries	01-	001-	5015	8,300	8,300
Vac Holiday Sick Adm	01-	001-	5999	45,000	48,000
TOTAL SALARIES				353,800	368,800
Soc. Security Exp.	01-	001-	6030	28,000	30,000
Worker's Comp Exp.	01-	001-	6031	2,000	2,000
Unemployment Comp. Exp.	01-	001-	6032	1,500	2,000
Life Insurance	01-	001-	6033	3,500	3,000
S/T Disability	01-	001-	6034	5,000	4,500
L/T Disability	01-	001-	6035	5,000	5,000
Pension Plan	01-	001-	6036	48,000	46,000
TOTAL FRINGE EXPENSES				93,000	92,500
Medical Insurance	01-	001-	6037	118,000	112,000
Dental Insurance	01-	001-	6038	6,000	6,000
Admin Office Supplies	01-	001-	6040	8,000	8,000
Admn Computer Supplies	01-	001-	6041	3,000	3,000
Admin. Bldg. Parts/Supplies	01-	001-	6045	1,000	1,000
Grounds Care	01-	001-	6046	1,500	1,000
HVAC Contract	01-	001-	6802	800	900
Clean/Extern	01-	001-	6804	4,000	3,000
Trash Removal	01-	001-	6805	600	600
Electric Exp.	01-	001-	6920	10,000	12,000
Telephone 355-1450	01-	001-	6102	1,000	0
Telephone 357-8515	01-	001-	6105	1,000	0
Telephone Cell+A416	01-	001-	6107	9,000	10,000
Answering Service	01-	001-	6302	800	800
Postage Exp.	01-	001-	6121	35,000	21,000
Water System Insurance	01-	001-	6141	30,000	42,000
Legal Liability Insurance	01-	001-	6142	14,000	9,000
Vehicle Ins.	01-	001-	6143	6,000	6,000
Staff Mileage exp-Adm	01-	001-	6181	200	50
Seminar/Education Exp-Adm Staff	01-	001-	6184	2,000	500
Solicitor Fees	01-	001-	6221	100,000	165,000
Other Legal Fees	01-	001-	6222	15,000	15,000
Accounting & Audit Fees	01-	001-	6223	12,000	15,000
Water Assoc.Dues & Exp.	01-	001-	6241	1,500	750
PMAA Assoc. Dues & Exp.	01-	001-	6242	1,500	1,500
Admin. Advertising	01-	001-	6261	15,000	10,000
Printing Expense	01-	001-	6281	14,000	12,000
Publications	01-	001-	6285	200	200

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APPROVED DATE 11/18/09						
BREAKDOWN OF BUDGET BY ACCOUNT					<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>	
Beeper Service	01-	001-	6301	400	400	
Office Equip-Leased	01-	001-	6303	3,000	0	
Computer Service Repair/ Other	01-	001-	6321	2,000	2,000	
Contracted Admin Services	01-	001-	6341	5,000	4,000	
Computer Maint. Contract	01-	001-	6801	10,000	10,000	
"One Call" Contract Exp.	01-	001-	6807	1,000	1,500	
Office Equip-Serv & Repair	01-	001-	7002	500	500	
Radio - Service & Repair	01-	001-	7003	0	0	
Freight Expense	01-	001-	6201	2,000	2,000	
Board Stenographic Exp.	01-	001-	6219	1,200	1,200	
School Tuition	01-	001-	8001	6,000	1,000	
Misc. Expense - Administ.	01-	001-	8901	5,000	5,000	
Cash Over/Short	01-	001-	8902	25	0	
Contingency	01-	001-	8904	0	0	
<b>TOTAL WATER ADMIN. EXP.</b>				<b>894,025</b>	<b>945,200</b>	
<b>SEWER - ADMINISTRATIVE EXPENSE</b>						
Admin. Salaries	02-	001-	5001	300,000	312,000	
Swr Admin Overtime Salaries	02-	001-	5002	500	500	
Board Member Salaries	02-	001-	5015	8,300	8,300	
Vac Hol, Sick Adm	02-	001-	5999	45,000	48,000	
<b>TOTAL SALARIES</b>				<b>353,800</b>	<b>368,800</b>	
Social Security Exp.	02-	001-	6030	28,000	30,000	
Worker's Comp Exp.	02-	001-	6031	2,000	2,000	
Unemployment Comp Exp.	02-	001-	6032	1,500	2,000	
Life Insurance	02-	001-	6033	3,500	3,000	
S/T Disability	02-	001-	6034	5,000	4,500	
L/T Disability	02-	001-	6035	5,000	5,000	
Pension Program	02-	001-	6036	48,000	46,000	
<b>TOTAL FRINGE EXPENSES</b>				<b>93,000</b>	<b>92,500</b>	
Medical Insurance	02-	001-	6037	118,000	112,000	
Dental Insurance	02-	001-	6038	6,000	6,000	
Admin. Office Supplies	02-	001-	6040	8,000	8,000	
Admin. Computer Supplies	02-	001-	6041	3,000	3,000	
Adm Bldg Maint Parts/Suppl	02-	001-	6045	1,000	1,000	
Grounds Care	02-	001-	6046	1,500	1,000	
HVAC Contract	02-	001-	6802	800	900	
Clean/Exterm.	02-	001-	6804	4,000	3,000	
Trash Removal	02-	001-	6805	600	600	
Electric Exp.-Adm. Bldg.	02-	001-	6920	10,000	12,000	
Telephone 355-1450	02-	001-	6102	1,000	0	
Telephone 357-8515	02-	001-	6105	1,000	0	
Telephone Other-maint etc.	02-	001-	6107	9,000	10,000	
Answering Service	02-	001-	6302	800	800	
Postage Exp.	02-	001-	6121	30,000	21,000	

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
<b>BREAKDOWN OF BUDGET BY ACCOUNT</b>				<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>
Sewer System Insurance	02-	001-	6141	30,000	42,000
Legal Liability Insurance	02-	001-	6142	14,000	9,000
Vehicle Insurance	02-	001-	6143	6,000	6,000
Staff Mileage Exp. - Admin	02-	001-	6181	200	50
Seminar/Education Exp. - Staff	02-	001-	6184	2,000	500
Solicitor Fees	02-	001-	6221	100,000	165,000
Other Legal Fees	02-	001-	6222	15,000	38,000
Accounting & Audit Fees	02-	001-	6223	12,000	15,000
Assoc Exp-PMMA	02-	001-	6242	1,500	1,500
Other Assoc Dues & exp	02-	001-	6243	0	0
Admin. Advertising	02-	001-	6261	15,000	13,000
Printing Exp.	02-	001-	6281	10,000	6,000
Publications	02-	001-	6285	200	200
Beeper Service	02-	001-	6301	400	400
Office Equip-Leased	02-	001-	6303	3,000	0
Computer Services Repair/ Other	02-	001-	6321	2,000	2,000
Contracted Admn. Services	02-	001-	6341	5,000	4,000
Computer Maint Contract Exp	02-	001-	6801	10,000	10,000
One Call Contract Exp.	02-	001-	6807	1,000	1,500
Office Equip-Service & Repr	02-	001-	7002	500	500
Radio - Service & Repair	02-	001-	7003	0	0
Freight Expense	02-	001-	6201	2,000	2,500
Board Steno Exp.	02-	001-	6219	1,200	1,200
School Tuition	02-	001-	8001	6,000	1,000
Misc. Exp. Admin.	02-	001-	8901	5,000	5,000
Cash Over/Short	02-	001-	8902	25	0
Contingency	02-	001-	8904	0	0
<b>TOTAL SEWER ADMIN. EXP.</b>				<b>883,525</b>	<b>964,950</b>
<b>TOTAL ADMINISTRATION EXPENSE</b>				<b>1,777,550</b>	<b>1,910,150</b>

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FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT				FINAL	NBCMA PROPOSED
				2010 BGT	2011 BGT
<b>MAINTENANCE EXP- WATER</b>					
W Maintenance Salaries	01-	002-	5001	265,000	305,000
Wtr Maintenance Overtime Wages	01-	002-	5020	30,000	40,000
Water Meter Reading	01-	002-	5010	0	0
Vacatn Holiday, Sick & Lunch	01-	002-	5999	52,000	53,000
TOTAL SALARIES				347,000	398,000
Soc. Security Exp.	01-	002-	6030	27,000	30,000
Workers Comp. Exp.	01-	002-	6031	20,000	21,000
Unemployment Comp. Exp.	01-	002-	6032	2,000	2,500
Life Insur. Exp.	01-	002-	6033	4,500	4,500
S/T Disability Exp.	01-	002-	6034	7,000	0
L/T Disability Exp.	01-	002-	6035	7,000	5,000
Employee Pension Exp.	01-	002-	6036	21,000	23,000
TOTAL FRINGE EXPENSES				88,500	86,000
Med. Insur. Exp.	01-	002-	6037	118,000	103,000
Dental Insur. Exp.	01-	002-	6038	6,000	0
Office Supplies-Maint.	01-	002-	6041	2,000	3,500
Main Break & Valve Prts/Suppl	01-	002-	6042	6,000	12,000
Safety Supplies	01-	002-	6043	1,500	2,500
Tools	01-	002-	6044	1,000	4,500
Uniforms	01-	002-	6045	4,000	4,000
Shoes, Boots	01-	002-	6046	1,800	1,000
Rain Suits	01-	002-	6047	400	300
Instruments/Supplies/Charts	01-	002-	6050	6,000	4,000
Electric Parts/Supplies	01-	002-	6051	300	1,000
Miscel Parts/Supplies	01-	002-	6052	8,000	8,000
Valve Box Prts/Suppl	01-	002-	6053	1,000	3,500
Meter Prts/Suppl	01-	002-	6054	0	2,000
Meter Reader Parts/Supplies	01-	002-	6055	0	0
Well/Pump Prts/Paint/Suppls	01-	002-	6432	10,000	10,000
Air Compressor Parts/Suppls	01-	002-	6433	1,000	1,000
Chlorinator/Eject Prts/Suppls	01-	002-	6434	4,000	3,000
Well/Pump Bldg. Supplies	01-	002-	6435	500	7,500
Lawn Maint/Ground Care Supplies	01-	002-	6436	6,000	8,000
Hydrant Prts/Paint/Supplies	01-	002-	6437	6,000	3,000
Curb Box Prts/Suppl	01-	002-	6438	1,000	3,000
Water Tap Prts/Suppl	01-	002-	6439	500	0
Water Meter Inventory Change	01-	002-	8141	2,000	0
Chlorine	01-	002-	6448	8,000	9,000
Phosphate, Aqua Mag	01-	002-	6449	4,000	4,000
Other Chemicals	01-	002-	6450	1,000	10,200
Water Purchase Fr.BCWSA	01-	002-	6061	1,500,000	1,900,000
Equip. Rental	01-	002-	6083	750	500
Railroad Crossing Rental	01-	002-	6084	200	0
Gasoline	01-	002-	6161	20,000	22,000
Diesel Fuel	01-	002-	6162	4,000	3,000
Meter Reader Mileage	01-	002-	6182	0	0

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FINAL BUDGET FY 2010						
APPROVED DATE 11/18/09						
BREAKDOWN OF BUDGET BY ACCOUNT					FINAL	NBCMA PROPOSED
				2010 BGT	2011 BGT	
Eng'r Design Rvw.	01-	002-	6225	0		
Contract Eng'r Fees	01-	002-	6226	0		
Eng'r all services	01-	002-	6227	125,000	80,000	
Eng'r Serv-Gen Sup	01-	002-	6228	0		
Eng'r Feas. Rvw.	01-	002-	6229	0		
Water Analysis Exp	01-	002-	6231	40,000	35,000	
Water Leak Detection	01-	002-	6232	3,500	1,000	
Maint. Advertising	01-	002-	6262	1,000	500	
Driveway Care-Wells/Pump	01-	002-	6821	0	0	
Maint. Bldg. Grounds Care	01-	002-	6056	500	500	
Trash Removal	01-	002-	6806	900	900	
Driveway Care	01-	002-	6822	500	500	
Electric Exp.-Maint. Bldg.	01-	002-	6920	9,000	10,000	
Electric Exp. - Well #1	01-	002-	6921	10,000	13,000	
Well #2	01-	002-	6922	12,000	9,000	
Well #3	01-	002-	6923	8,000	9,000	
Well #4	01-	002-	6924	13,000	14,000	
Well #5-see Antler dr	01-	002-	6925		0	
WELL #6	01-	002-	6926	15,000	16,000	
Well #7	01-	002-	6927	11,000	14,000	
Well #8	01-	002-	6928	10,000	11,000	
Well #9	01-	002-	6929	9,000	8,000	
Well #10	01-	002-	6930	10,000	10,000	
Well #11	01-	002-	6931	20,000	21,000	
Well #12	01-	002-	6932	10,000	11,000	
WELL #13	01-	002-	6933	13,000	12,000	
WELL #16	01-	002-	6934	17,000	22,000	
WELL #17	01-	002-	6936	11,000	8,000	
Bristol Rd. W p/s	01-	002-	6935	5,000	12,000	
Rich.W Pump Sta.	01-	002-	6940		0	
Holly Hill	01-	002-	6941	600	800	
Antler Drive Pump/Well #5	01-	002-	6942	80,000	30,000	
Humphrey's Dr Pump Station	01-	002-	6943	24,000	28,000	
500 Upp Holland Pump	01-	002-	6944	16,000	18,000	
Watergate	01-	002-	6945	700	1,000	
SpringGardenMill P/S	01-	002-	6946	18,000	21,000	
Hiway Restoratn-Wtr Break	01-	002-	7005	2,000	2,000	
Vehicle Service & Repairs	01-	002-	7001	7,500	10,000	
Lawn Mower Repair	01-	002-	7004	1,500	4,000	
Misc Repair-Customer Damage	01-	002-	7007	3,000	3,000	
Misc Contract Repair-Maint	01-	002-	7009	1,000	8,500	
Elect Instrument Repair-Wells	01-	002-	7021	5,000	8,500	
Pump Repair - Wells	01-	002-	7061	12,000	10,000	
Misc. Exp. - Operations	01-	002-	8903	5,000	5,000	
Contingency	01-	002-	8904	0	0	
<b>TOTAL WATER MAINT. EXPENSE</b>				<b>2,691,150</b>	<b>3,085,700</b>	

2010prelimbudget.XS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT				FINAL	NBCMA PROPOSED
				2010 BGT	2011 BGT
<b>SEWER MAINTENANCE EXPENSE</b>					
Swr Maintenance Salaries	02-	002-	5001	265,000	305,000
Swr Maintenance Overtime Salaries	02-	002-	5060	30,000	40,000
Vac, Holiday, Sick, Lunch	02-	002-	5999	52,000	53,000
TOTAL SALARIES				347,000	398,000
Soc. Security Exp.	02-	002-	6030	27,000	30,000
Worker's Comp	02-	002-	6031	10,000	10,000
Unemployment Comp	02-	002-	6032	1,000	2,500
Life Insurance	02-	002-	6033	3,000	4,500
S/T Dis	02-	002-	6034	4,000	0
L/T Dis	02-	002-	6035	4,000	5,000
Pension Program	02-	002-	6036	21,000	23,000
TOTAL FRINGE EXPENSES				70,000	75,000
Medical Insurance	02-	002-	6037	118,000	100,000
Dental Insurance	02-	002-	6038	6,000	0
Office Supplies, Repairs, Svc	02-	002-	6041	2,000	3,500
Maint Bldg Grounds Care	02-	002-	6056	500	500
Trash Removal	02-	002-	6806	900	900
Driveway Care-Maint Bldg.	02-	002-	6822	0	500
Electric Exp. Maint Bldg.	02-	002-	6920	9,000	10,000
Line Break Parts/Supplies	02-	002-	6042	5,000	4,000
Safety Supplies	02-	002-	6043	1,500	2,500
Tools	02-	002-	6044	1,000	4,500
Uniforms	02-	002-	6045	4,000	4,000
Shoes & Boots	02-	002-	6046	1,800	1,000
Rain Suits	02-	002-	6047	400	300
Root Control	02-	002-	6048	44,000	45,000
Misc. Parts/Supplies	02-	002-	6052	8,000	12,000
Manhole Repr Parts/Supplies	02-	002-	6055	5,000	4,000
Inspection Parts/ Supplies	02-	002-	6057	3,500	40,000
Grounds Care Supplies	02-	002-	6436	1,000	5,500
Taps Parts/Supplies	02-	002-	6439	500	500
Chemicals - Other	02-	002-	6450	500	4,000
Sewer Rental From BCWSA	02-	002-	6062	4,300,000	4,900,000
Sewer Rental Frm Upp South	02-	002-	6063	240,000	230,000
Sewer Rental Frm Warminster	02-	002-	6064	45,000	55,000
Equipment Rental	02-	002-	6083	750	200
Railroad Crossing Rental	02-	002-	6084	300	200
Gasoline	02-	002-	6161	20,000	23,000
Propane Fuel	02-	002-	6162	3,000	3,000
Staff Mileage	02-	002-	6183	0	0

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT					
				<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>
Design Review	02-	002-	6225	0	0
Contract Eng'r Fees	02-	002-	6226	0	0
Inspect. Developer	02-	002-	6227	120,000	90,000
SVC - Gen'l Superv.	02-	002-	6228	0	0
Feasibility Review	02-	002-	6229	0	0
Contract Eng'r I&I Trunk	02-	002-	6230	0	0
Contract Eng'r I&I Collection	02-	002-	6231	0	0
Contract Eng'r I&I Lateral	02-	002-	6232	0	0
Maint. Advertising - Sewer	02-	002-	6262	1,000	500
Drivwy Care, Swr Pump Sta	02-	002-	6827	0	0
Elec Exp Ctrysde Swr Pump	02-	002-	6946	0	0
Elec Exp Highspire Sewer Pump	02-	002-	6947	14,000	16,000
Elec Exp Manchester Wds Pump	02-	002-	6948	3,000	7,000
Elec Exp Woods at Northampton	02-	002-	6949	12,000	19,000
Elec Exp Richard Rd P/S	02-	002-	6950	0	3,000
Elec Exp Joshua Dr P/S	02-	002-	6951	0	800
Elec Exp Overlook Dr P/S	02-	002-	6952	0	15,000
Vehicle Service & Repairs	02-	002-	7001	7,500	10,000
Lawn Mower Repair	02-	002-	7004	1,500	4,000
Hiway Restoration-Swr Brk	02-	002-	7005	3,000	3,000
Hiway Restoration-Swr Tap	02-	002-	7006	0	0
Misc. Repair-Cust. Damage	02-	002-	7007	15,000	5,000
Misc. Contract Repair	02-	002-	7009	5,000	2,000
Elec Instr Repr-Swr Pump Sta	02-	002-	7029	1,500	1,000
Pump Repr-Swr Pump Stat	02-	002-	7068	3,000	3,000
Sewer Pump Sta. Chemical	02-	002-	7167	6,000	4,000
Pump Sta. Maint. - Parts	02-	002-	7171	10,000	6,000
Pump Sta. Maint. Supplies	02-	002-	7172	3,500	2,000
Misc. Expense - Operation	02-	002-	8903	1,000	1,000
Contingency	02-	002-	8904	0	0
<b>TOTAL SEWER MAINT. EXPENSE</b>				<b>5,445,650</b>	<b>6,119,400</b>
<b>TOTAL MAINTENANCE EXPENSE</b>				<b>8,136,800</b>	<b>9,205,100</b>
<b>TOTAL OPERATING EXPENSE</b>				<b>9,914,350</b>	<b>11,115,250</b>
<b>OPERATING INCOME (LOSS)</b>				<b>69,295</b>	<b>615,215</b>

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
BREAKDOWN OF BUDGET BY ACCOUNT					
				<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>
<b>NON OPERATING INCOME</b>					
Misc. Int. Rev. - Water	01-	030-	4702	1,000	100
Misc. Int. Rev. - Sewer	02-	030-	4702	1,000	100
General Checking Acct Int Rev	01-	030-	4703	8,000	3,000
Payroll Checking Acct Int Rev	01-	030-	4704	1,500	400
Lockbox MM Int Rev	01-	030-	4706	2,500	400
Foxchase MM Int Rev	01-	030-	4707	500	200
Watr Esc Fnd Inv Int Rev	01-	030-	4709	3,000	1,000
RFDG Rev. Fund	01-	030-	4710	2,000	50
PLGIT Inv Int Rev	01-	030-	4711	2,000	1,000
PLGIT/PLUS Inv Int Rev	01-	030-	4712	0	0
RFDG Bond Int. Inv. Int. Rev	01-	030-	4713	0	0
RFDG Bnd SF Int Inv Int Rev	01-	030-	4714	0	0
RFDG Bnd Invest Inv Int Rev	01-	030-	4715	100	25
RFDG BRI Fd Inv. Int. Rev	01-	030-	4716	65,000	30,000
RFDG Bond Reserve	01-	030-	4717	50,000	30,000
Commerce Inv. Int. Rev. form. "J"	01-	030-	4718	25,000	3,000
1990 Bond Fund Inv Int	01-	030-	4719	0	0
PLGIT/TERM Inv Int Rev	01-	030-	4720	0	0
2006 Bond Settlmnt Inv Int	01-	030-	4724	0	0
2006 Bond Fd Inv Int	01-	030-	4725	0	0
2006 Construction Fd Inv Int	01-	030-	4726	15,000	2,500
2009 Loan Proceed Int	01-	030-	4736	0	0
Misc Non-Operating Revenue	01-	030-	4705	400	1,000
Misc Non-Operating Revenue	02-	030-	4705	400	1,000
Unrealized Gain or Loss on Invest.	01-	030-	4799	0	(6,000)
Non-Operating Grant Revenue	02-	030-	4710	2,300,000	500,000
<b>TOTAL NON-OPERATING INCOME</b>				<b>2,477,400</b>	<b>567,775</b>

2010prelimbudget.XLS					
FINAL BUDGET FY 2010					
APPROVED DATE 11/18/09					
<b>BREAKDOWN OF BUDGET BY ACCOUNT</b>				<b>FINAL</b>	<b>NBCMA PROPOSED</b>
				<b>2010 BGT</b>	<b>2011 BGT</b>
<b>NON-OPERATING EXPENSE</b>					
Bank Trustee Fees	01-	035-	8000	4,500	4,000
Bank Trustee Fees	02-	035-	8000	4,500	4,000
Bond Interest Exp	01-	035-	8030	628,000	573,521
Loan Interest Exp	01-	035-	8031	68,000	235,000
Bank Service Charges	01-	035-	8061	25,000	12,000
Investment Bank Fees	01-	035-	8062	9,000	5,000
Bond Admin Fees	01-	035-	8063	9,000	5,000
Bank Service Charges	02-	035-	8061	25,000	12,000
Investment Bank Fees	02-	035-	8062	9,000	5,000
Bond Admin Fees	02-	035-	8063	9,000	5,000
Misc. Non-operating exp	02-	035-	8070	0	500
Bond Discounts	01-	035-	8500	18,000	18,000
Capital Reserve Replenishment	01-	035-	8599	0	
<b>TOTAL NON- OPERATING EXPENSE</b>				<b>809,000</b>	<b>879,021</b>
<b>NON-OPERATING INCOME (LOSS)</b>				<b>1,668,400</b>	<b>(311,246)</b>
<b>INCOME BEFORE DEPRECIATION</b>				<b>1,737,695</b>	<b>303,969</b>
Depreciation Exp-Water	01-	040-	8601	1,350,000	1,450,000
Amortized Bond Costs	01-	040-	8602	10,000	10,000
Depreciation Exp-Sewer	02-	040-	8601	1,450,000	1,600,000
<b>TOTAL DEPRECIATION</b>				<b>2,810,000</b>	<b>3,060,000</b>
<b>NET INCOME (LOSS)</b>				<b>(1,072,305)</b>	<b>(2,756,031)</b>

2010prelimbudget.XLS				
FINAL BUDGET FY 2010				
APPROVED DATE 11/18/09				
<b>BREAKDOWN OF BUDGET BY ACCOUNT</b>				
		<b>FINAL</b>	<b>NBCMA PROPOSED</b>	
		<b>2010 BGT</b>	<b>2011 BGT</b>	
<b>P&amp;L SUMMARY</b>				
Water Revenue		3,759,050	4,497,660	
Maintenance Expense		2,691,150	3,085,700	
Administrative Expense		894,025	945,200	
<b>WATER INCOME</b>		<b>173,875</b>	<b>466,760</b>	
Sewer Revenue		6,224,595	7,232,805	
Maintenance Expense		5,445,650	6,119,400	
Administrative Expense		883,525	964,950	
<b>SEWER INCOME</b>		<b>(104,580)</b>	<b>148,455</b>	
Combined Revenue		9,983,645	11,730,465	
Maintenance Expense		8,136,800	9,205,100	
Administrative Expense		1,777,550	1,910,150	
Combined Expense		9,914,350	11,115,250	
<b>OPERATING INCOME (LOSS)</b>		<b>69,295</b>	<b>615,215</b>	
Non-Operating Income				
Investment Interest Inc		159,100	66,575	
Misc Interest Revenue		17,500	5,200	
Misc Non-Operating Revenue		800	(4,000)	
Non-Operating Grant Revenue		2,300,000	500,000	
<b>TOTAL NON-OPERATING INCOME</b>		<b>2,477,400</b>	<b>567,775</b>	
<b>TOTAL INCOME</b>		<b>2,546,695</b>	<b>1,182,990</b>	
Non-Operating Expense				
Bank Trustee Fees		9,000	8,000	
Bank Service Charges		86,000	44,000	
Bond Interest Expense		628,000	573,521	
Misc. Non-operating exp		0	500	
Loan Interest Expense		68,000	235,000	
Bond Discount Expense		18,000	18,000	
<b>TOTAL NON-OPERATING EXPENSE</b>		<b>809,000</b>	<b>879,021</b>	
Income Before Capital Expend		1,737,695	303,969	
Capital Expenditures		16,701,885	2,549,382	
Bond Payments		547,524	559,253	
Income (Loss) Before Deprec		(15,511,714)	(2,804,666)	
Water Depreciation		1,350,000	1,450,000	
Amortized Bond Costs		10,000	10,000	
Sewer Depreciation		1,450,000	1,600,000	
<b>NET INCOME (LOSS)</b>		<b>(18,321,714)</b>	<b>(5,864,666)</b>	

## 2008-11 PLAN

		10/01/08	Northwestern Public County Restricted Authority (RA) Capital Plan		METHOD OF ACQUISITION											
LINE ITEM	RECOMMENDATION	DEPARTMENT	PROJECT	FUND	METHOD OF ACQUISITION	WALD		APPROX								
						ML CAPITAL PLAN	ML CAPITAL BUDGET	November	December	Balance						
1	103.2	WATER	Colville Treatment (Bibbette 180) Tank & Bibbette 180) Tank	2000	Private Bid	\$	4,000.00									
2	103.2	WATER	Replacement Tank No. 1 (West Drive Park on tank) (Current tank has 50,000 gallons / day with Tank	2000	Private Bid	\$	18,000.00									
3	103.2	WATER	Replacement Tank No. 2 (West Drive Park on tank) (Current tank has 50,000 gallons / day with Tank	2000	Private Bid	\$	18,000.00									
4	103.2	WATER	Water Leak Detection (WLD) System	2000	Private Bid	\$	11,000.00									
5	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
6	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
7	103.2	WATER	Replacement of one (1) Water WLD Panel Assembly (current equipment)	2000	Private Bid	\$	1,000.00									
8	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
9	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
10	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
11	103.2	WATER	Variable Frequency Drive (VFD) System (Tank Station 22) & 21) VFD's on	2000	Private Bid	\$	10,000.00									
12	103.2	WATER & SEWER	General Sewer / Tank Replacement	2000	Private Bid	\$	20,000.00									
13	103.2	ADMINISTRATIVE	General Sewer / Tank Replacement	2000	Private Bid	\$	20,000.00									
RECOMMENDATION: Review of RA Capital Budget based on SWS-E program already completed as of November 1, 2008							\$	100,000.00	\$	144,200.00	\$	201,200.00	\$	1,112,000.00	\$	200,000.00