

PURPOSE

This Water Fund Operating Budget contains revenues and expenses for operation of the JCSA groundwater supply and distribution system. Indirect operating and maintenance costs are reimbursed to the Administrative Fund. Revenue is provided from service charges, interest income, and other miscellaneous items.

KEY WORKPLAN ITEMS

1. Provide and maintain safe drinking water for residential and commercial customers within Primary Service Area and six independent water systems, in accordance with Commonwealth of Virginia, Department of Health, permits, standards and regulations
2. Provide drinking water supply in accordance with Commonwealth of Virginia, Department Environmental Quality groundwater withdrawal permit requirements
3. Operate and maintain 22 water production facilities and a 5-million-gallon per day brackish groundwater reverse osmosis water treatment facility
4. Collect required number of water samples for testing to ensure drinking water quality is in compliance with Virginia Department of Health Standards and Regulations
5. Educate citizens about water conservation
6. Maintain backflow and cross-connection program that meets Virginia Department of Health Standards and Regulations to prevent contamination of the water system
7. Respond to and repair interruptions to the water production and distribution system 24-hours a day and 7-days a week

BUDGET SUMMARY

	FY 11 Adopted	FY 12 Plan	FY 12 Adopted
Revenues:			
Service Charges	\$ 5,849,493	\$ 5,936,373	\$ 5,936,373
Interest	371,000	398,000	398,000
Miscellaneous	388,983	388,983	388,983
Total	\$ 6,609,476	\$ 6,723,356	\$ 6,723,356
Expenses:			
Admin Fund Allocation	\$ 2,350,428	\$ 2,398,359	\$ 2,475,829
Direct Expenses	2,749,416	2,790,553	2,835,083
Capital Equipment Outlay	10,000	36,000	23,000
Debt Service Fund	1,384,632	1,383,444	1,383,444
PDA Operating Costs	115,000	115,000	6,000
Total	\$ 6,609,476	\$ 6,723,356	\$ 6,723,356

PERSONNEL

Full-Time Personnel	15	15	15
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PERFORMANCE MEASURES

	<u>FY 09 Actual</u>	<u>FY 10 Actual</u>	<u>FY 11 Mid Year</u>	<u>FY 12 Adopted</u>
Drinking water produced (millions of gallons)	2,350M	1,844M	1,052M	2,117M
Drinking water customers served	19,137	19,408	19,544	19,979
Miles of water pipe maintained	386	391	393	399
% Water (MGD) withdrawal versus DEQ Permit	56%	57%	65%	65%
% Water quality samples in compliance	99.4%	100%	98.8%	100%
% Water service interruptions repaired in 8 hours or less	93.8%	92.5%	88.9%	90%

BUDGET COMMENTS

This Water Fund Operating Budget continues to reflect customer service enhancement by placing emphasis on Water System Preventive Maintenance and Rehabilitative Programs. Existing systems are aging and require rehabilitative measures to meet the demands of increased usage and protect the public investment. These measures will improve both water quality and reliability

The FY 2012 adopted Water Fund revenues and expenses will remain unchanged from FY 2012 planned revenues and expenses. There is a decrease in the expenses for the Newport News Project Development Agreement (PDA) operating cost which is offset by an increase in the Administrative Allocation and Operating Reserve.