

**RESOLUTION 2023-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT APPROVING THE PROPOSED WATER AND SEWER BUDGETS FOR FISCAL YEAR 2024 AND SETTING THE PUBLIC HEARING THEREON PURSUANT TO THE CHAPTER 2005-341, LAWS OF FLORIDA AND FLORIDA LAW**

**WHEREAS**, in accordance with Section 12 of Chapter 2005-341, Laws of Florida, the District Manager has heretofore prepared and submitted to the Board proposed water and sewer budget for Fiscal Year 2024; copies of which are attached hereto as Exhibit A, and

**WHEREAS**, the Board of Supervisors has considered said proposed budget and desires to set the required public hearing thereon:

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT THAT:**

**Section 1.** The recitals above are true and correct and hereby made a part of this Resolution

**Section 2.** The budget proposed by the District Manager for Fiscal Year 2024 are hereby approved as the basis for conducting a public hearing to adopt said budgets.

**Section 3.** A public hearing on said approved budgets is hereby declared and set for the following date, hour and place:

**Date:** Wednesday, September 06, 2023

**Hour:** ~~5:10 PM~~ 5:00 PM 


**Place:** 9700 NW 52<sup>nd</sup> Street, Coral Springs FL 33076

**Section 4.** The District Manager shall publish or have published notice of this public hearing in the manner prescribed by Chapter 2005-341, Laws of Florida

**Section 5.** This resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Supervisors of the North Springs Improvement District, this 2<sup>nd</sup> day of August, 2023.

  
\_\_\_\_\_  
Vincent Moretti, President

  
\_\_\_\_\_  
Grace Solomon, Secretary



# FY2024

## ANNUAL OPERATING BUDGET WATER & SEWER FUND **PROPOSED**

### **GOVERNING BOARD OF SUPERVISORS**

VINCENT MORETTI, PRESIDENT

GRACE SOLOMON, SECRETARY

ANTHONY AVELLO, ASSISTANT SECRETARY

### **PREPARED BY**

ROD COLON, DISTRICT MANAGER

MARYAM OMIDI, CHIEF FINANCIAL OFFICER





## **EXECUTIVE MEMORANDUM**

**To:** Governing Board of Supervisors  
**From:** Rod Colon, District Manager  
**Date:** July 25, 2023  
**Re:** North Springs Improvement District Proposed Operating Budget for FY 2024

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Dear Governing Board of Supervisors:

In accordance with Chapter 2005-341, Laws of Florida, as amended, the North Springs Improvement District Proposed Operating Budget for Fiscal Year (FY) 2024 is provided for your review. The North Springs Improvement District provides high-quality drinking water, safeguarding public health and the environment while planning for future growth, implementing water conservation measures, and providing process improvements and cost efficiencies. Therefore, the proposed budget is an integral part of the District's operations, as it identifies and establishes an operational and expense plan to fund operations and projects throughout the District.

Furthermore, the District has developed a proposed budget based on current financial information and staff recommendations, which will effectively allocate resources to support and ensure that the daily operational needs of the fiscal year are met and that our exceptional service of providing safe drinking water continues while adhering to financial best practices and planning for long-term needs throughout the District.

On behalf of myself and the District staff, we are pleased to provide this proposed budget for consideration.



**NORTH SPRINGS IMPROVEMENT DISTRICT**  
**ANNUAL OPERATING BUDGET**  
**WATER & SEWER FUND**  
**PROPOSED**

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***NORTH SPRINGS IMPROVEMENT DISTRICT***  
**WATER & SEWER FUND**  
**PROPOSED BUDGET FY 2024**

***REVENUE***

Account Description	Adopted Budget FY 2023	Actuals as of 06/30/2023	Projected July- Sept 2023	Total Projected 9/30/23	Proposed Budget FY 2024
<b>Revenue</b>					
Water Revenue	9,000,000	6,522,010	2,600,000	9,122,010	9,200,000
Standby Fees	150,000	140,296	46,765	187,061	100,000
Sewer Revenue	8,800,000	6,690,343	2,500,000	9,190,343	9,200,000
Water Revenue-Irrigation	600,000	382,613	150,000	532,613	530,000
Nsf Check Fees	3,000	3,570	1,190	4,760	3,000
Processing Fee	40,000	21,840	7,280	29,120	30,000
Lien Information Fee	30,000	17,125	5,708	22,833	22,000
Delinquent Fee	400,000	316,225	105,408	421,633	400,000
Turn On Fees	20,000	21,940	7,313	29,253	25,000
Meter Fees	10,000	48,866	-	48,866	10,000
Connection Fees-W/S	870,000	99,160	-	99,160	20,000
Interest-Investments	1,000	355,180	-	355,180	100,000
Unrealized Gain (Loss)	-	16,671,009	-	16,671,009	-
Miscellaneous Revenues	16,000	6,698	-	6,698	1,000
Vending Services	-	14,750	1,500	16,250	15,000
Contract Service-Field Mgt..Frm 003	15,000	11,250	3,750	15,000	15,000
Carry Over Fund Balance From Previous Yr	-	-	-	-	10,000,000
<b>Total Revenue</b>	<b>19,955,000</b>	<b>31,322,875</b>	<b>5,428,915</b>	<b>36,751,790</b>	<b>29,671,000</b>



**NORTH SPRINGS IMPROVEMENT DISTRICT**  
**WATER & SEWER FUND**  
**PROPOSED BUDGET FY 2024**

**EXPENSES – PERSONNEL & ADMINISTRATION**

Account Description	Adopted Budget FY 2023	Actuals as of 06/30/2023	Projected July- Sept 2023	Total Projected 9/30/23	Proposed Budget FY 2024
<b>Expenses</b>					
<b>Personnel &amp; Administration</b>					
Payroll-Board Of Supervisors	5,760	640	5,120	5,760	5,760
Payroll-Salaried	1,794,240	1,241,517	550,000	1,791,517	2,000,000
Payroll- Vehicle Benefit	3,000	2,076	692	2,768	3,000
Payroll-Special Pay	18,000	-	18,000	18,000	20,000
Fica Expense	140,000	89,119	50,000	139,119	150,000
Pension Expense	345,000	267,521	89,174	356,695	460,000
Health & Life Insurance	630,000	380,277	245,000	625,277	695,000
Workers Comp Insurance	38,000	7,434	20,000	27,434	45,000
Unemployment Compensation	5,000	-	5,000	5,000	5,000
Other Post Employment Benefits (OPEB)	50,000	-	50,000	50,000	30,000
Prof Serv-Engineering	100,000	15,416	5,139	20,554	50,000
Prof Serv-Arbitrage Rebate	1,000	700	233	933	1,000
Prof Serv-Dissemination Agent	1,000	-	1,000	1,000	1,000
Prof Serv-Trustee	15,000	8,203	2,734	10,938	15,000
Prof Serv-Legal Services	150,000	59,922	19,974	79,896	80,000
Prof Serv-Legislative Expense	37,500	21,875	7,292	29,167	30,000
Actuarial Computation Fee-Opeb	5,000	1,500	500	2,000	3,000
Prof Serv-Mgt Consulting Serv	14,580	10,935	3,645	14,580	14,580
Prof Serv-Info Technology	300,000	235,268	20,000	255,268	250,000
Prof Serv-Web Site Develop	3,000	4,799	800	5,599	5,000
Prof Serv-Human Resources	10,000	5,643	1,881	7,523	10,000
Annual Audit	25,000	14,810	4,937	19,747	20,000
Communication-Telephone	25,000	14,918	4,973	19,891	20,000
Postage And Freight	40,000	22,211	7,404	29,615	35,000
Printing And Binding	25,000	13,211	4,404	17,614	20,000
Rentals-General..Record Storage	500	440	147	586	600
Rental/Lease-Vehicle/Equip	10,000	6,814	2,271	9,085	10,000
Insurance-General Liability	35,000	27,549	-	27,549	30,000
Legal Advertising	5,000	-	2,000	2,000	2,000
Office Supplies	45,000	20,433	6,811	27,245	35,000
Vending Services	40,000	27,328	9,109	36,438	40,000
Janitorail Services/Supplies	60,000	43,886	14,629	58,514	75,000
Misc-Licenses & Permits	45,000	34,826	10,000	44,826	45,000
Misc-Merchant Fees	180,000	129,498	43,166	172,664	180,000
Misc-Services	5,000	2,609	870	3,479	5,000
Misc-Contingency	20,000	4,792	1,597	6,389	15,000
Capital Outlay - Equipment	20,000	7,088	2,363	9,450	20,000
<b>Total Personnel &amp; Administration Expenses:</b>	<b>4,246,580</b>	<b>2,723,257</b>	<b>1,210,863</b>	<b>3,934,119</b>	<b>4,425,940</b>





**NORTH SPRINGS IMPROVEMENT DISTRICT**  
**WATER & SEWER FUND**  
**PROPOSED BUDGET FY 2024**

**EXPENSES – OPERATION & MAINTENANCE (PLANT)**

Account Description	Adopted Budget FY 2023	Actuals as of 06/30/2023	Projected July- Sept 2023	Total Projected 9/30/23	Proposed Budget FY 2024
<b>Operation &amp; Maintenance Expenses</b>					
<b>Plant</b>					
Payroll-Salaried	1,200,000	821,077	375,000	1,196,077	1,380,000
Payroll-Special Pay	12,000	-	12,000	12,000	13,000
Employment Ads	15,000	6,138	2,046	8,184	15,000
Fica Expense	95,000	60,954	30,000	90,954	110,000
Pension Expense	130,000	98,006	32,669	130,675	190,000
Health & Life Insurance	432,000	270,669	150,000	420,669	510,000
Worker'S Comp. Insurance	72,000	14,132	50,000	64,132	85,000
Unemployment Taxes	6,000	-	6,000	6,000	6,000
Other Post Employment Benefits (OPEB)	50,000	-	50,000	50,000	50,000
Water Quality Testing	35,000	25,446	8,482	33,928	35,000
Contracts-Landscape	80,000	55,253	18,418	73,670	75,000
Contracts-Generator Maint	20,000	7,390	2,463	9,853	15,000
Communication-Telephone	120,000	64,360	21,453	85,813	100,000
Electric	700,000	550,494	183,498	733,992	750,000
Utility-Wastewater Treatment	3,500,000	3,466,966	990,000	4,456,966	4,000,000
Rental/Lease-Vehicle/Equip	10,000	2,050	683	2,733	10,000
Insurance-General Liability	100,000	86,697	-	86,697	100,000
R&M-General	250,000	108,949	36,316	145,265	235,000
R&M-Electrical	30,000	2,078	693	2,770	20,000
R&M-Air Conditioning	10,000	4,506	1,502	6,009	10,000
R&M-Vehicles	10,000	12,335	4,112	16,446	15,000
R&M-Well Maintenance	60,000	55,782	5,000	60,782	60,000
R&M-Painting	10,000	2,021	674	2,695	5,000
Reuse	-	693	231	924	1,000
Office Supplies	15,000	3,068	1,023	4,090	10,000
Op Supplies-General	100,000	103,948	34,649	138,597	150,000
Security	70,000	104,208	34,736	138,944	70,000
Op Supplies-Chemicals	450,000	316,042	130,000	446,042	450,000
Op Supplies-Lab Chemicals	40,000	18,456	15,000	33,456	40,000
Op Supplies-Lab Equipment	5,000	3,614	1,205	4,818	5,000
Op Supplies-Uniforms	20,000	10,373	6,000	16,373	20,000
Op Supplies-Fuel, Oil	40,000	18,333	12,000	30,333	40,000
Misc-Licenses & Permits	50,000	13,592	4,531	18,123	45,000
Misc-Contingency	20,000	2,533	6,000	8,533	10,000
Cap Outlay-Other	50,000	8,125	2,708	10,833	50,000
Cap Outlay-Equipment	100,000	164,380	54,793	219,173	150,000
Cap Outlay-Vehicles	80,000	67,410	10,000	77,410	80,000
<b>Total Plant Expenses</b>	<b>7,987,000</b>	<b>6,550,076</b>	<b>2,293,884</b>	<b>8,843,961</b>	<b>8,910,000</b>



***NORTH SPRINGS IMPROVEMENT DISTRICT***  
**WATER & SEWER FUND**  
**PROPOSED BUDGET FY 2024**

***EXPENSES – OPERATION & MAINTENANCE (FIELD)***

Account Description	Adopted Budget FY 2023	Actuals as of 06/30/2023	Projected July- Sept 2023	Total Projected 9/30/23	Proposed Budget FY 2024
<b>Operation &amp; Maintenance Expenses</b>					
<b>Field</b>					
Payroll-Salaried	750,000	517,000	220,000	737,000	900,000
Payroll-Special Pay	8,000	-	8,000	8,000	10,000
Employment Ads	10,000	7,608	2,200	9,808	10,000
Fica Expense	60,000	38,379	20,000	58,379	70,000
Pension Expense	82,000	56,897	25,000	81,897	125,000
Health & Life Insurance	285,000	185,830	90,000	275,830	365,000
Worker'S Comp. Insurance	45,000	8,758	35,000	43,758	55,000
Unemployment Taxes	4,500	-	4,500	4,500	4,500
Other Post Employment Benefits (OPEB)	30,000	-	30,000	30,000	30,000
Water Quality Testing	6,000	987	329	1,316	6,000
Contracts-Generator Maint	8,000	4,726	1,575	6,301	8,000
Communication-Telephone	15,000	6,146	2,049	8,195	12,000
Electric	80,000	60,008	20,003	80,011	82,000
Rental/Lease - Vehicle/Equip	5,000	6,005	1,000	7,005	5,000
Insurance-General Liability	50,000	39,430	-	39,430	50,000
R&M-General	100,000	31,114	50,000	81,114	100,000
R&M-Vehicle Repairs	32,000	34,025	11,342	45,367	45,000
R&M-Roads & Alleyways	15,000	33,676	-	33,676	35,000
R&M-Lift Stations	140,000	55,284	18,428	73,713	140,000
R&M-Painting	5,000	1,009	336	1,345	5,000
Utility Backflow Preventors	5,000	168	56	224	5,000
Office Supplies	5,000	1,932	644	2,576	5,000
Op Supplies-General	20,000	18,956	6,319	25,274	25,000
Op Supplies-Uniforms	10,000	7,735	2,578	10,314	12,000
Op Supplies-Fuel, Oil	40,000	18,638	10,000	28,638	40,000
Op Supplies-Hand Tools	1,000	723	241	964	1,000
Op Supplies-Meter Supplies	25,000	16,585	5,528	22,114	25,000
Misc-Licenses & Permits	5,000	984	328	1,312	5,000
Misc-Contingency	2,000	7,515	-	7,515	5,000
Heron Bay Golf Course	95,000	29,999	-	29,999	-
Cap Outlay-Other	15,000	-	15,000	15,000	15,000
Cap Outlay-Equipment	30,000	390,409	-	390,409	100,000
Cap Outlay-Vehicles	40,000	292,872	120,000	412,872	40,000
Inter-Fund Group Transfers Out	-	2,515,440	-	2,515,440	10,000,000
<b>Total Field Expenses</b>	<b>2,023,500</b>	<b>4,388,839</b>	<b>700,456</b>	<b>5,089,295</b>	<b>12,335,500</b>
<b>Total Operating Expenses</b>	<b>14,257,080</b>	<b>13,662,172</b>	<b>4,205,203</b>	<b>17,867,375</b>	<b>25,671,440</b>
<b>Net Income (Loss) Before Debt Services</b>	<b>5,697,920</b>	<b>17,660,703</b>	<b>1,223,712</b>	<b>18,884,415</b>	<b>3,999,560</b>





***NORTH SPRINGS IMPROVEMENT DISTRICT***  
**WATER & SEWER FUND**  
**PROPOSED BUDGET FY 2024**

***DEBT SERVICES***

Account Description	Adopted Budget FY 2023	Actuals as of 06/30/2023	Projected July- Sept 2023	Total Projected 9/30/23	Proposed Budget FY 2024
<b>Debt Services</b>					
Debt Service Series 2011	2,700,000	2,025,000	675,000	2,700,000	2,790,000
Debt Service Series 2021	935,000	-	-	-	-
Interest Expense Series 2011	948,750	711,562	237,188	948,750	858,568
Interest Expense Series 2021	172,615	48,039	-	48,039	-
<b>Total Debt Service</b>	<b>4,756,365</b>	<b>2,784,601</b>	<b>912,188</b>	<b>3,696,789</b>	<b>3,648,568</b>
<b>Projected Manual Income (Loss)</b>	<b>941,555</b>			<b>15,187,626</b>	<b>350,992</b>
<b>Coverage Calculation</b>	<b>1.20</b>			<b>5.11</b>	<b>1.10</b>
Renewal and Replacement	100,000	-	100,000	100,000	100,000
Rate Stabilization	50,000	-	50,000	50,000	50,000
<b>Total Reserves</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>
<b>Projected Surplus (Deficit)</b>	<b>791,555</b>			<b>15,037,626</b>	<b>200,992</b>

## **SUMMARY**

### **Water - Sewer Revenue**

The projected revenue is based upon the current approved rate structure for water and sewer, utilizing consumption projections for the upcoming year. The rate structure provides for a base rate and per thousand-gallon rate. Different rate structures for residential and commercial are derived from the last rate study and approved by the Board of Supervisors.

### ***RATE STRUCTURES***

<b>Water Minimum Charge</b>	<b>Rate FY 24</b>
Water Availability Minimum	\$39.52
Minimum Water Residential, Multi-Family, Ranches/ Magic	\$24.34
Water Commercial 1" Minimum	\$60.84
Water Commercial 1.5" Minimum	\$121.68
Water Commercial 2" Minimum	\$194.69
Water Commercial 3" Minimum	\$365.05
Water Commercial 4" Minimum	\$608.41
Water Commercial 6 & 8" Minimum	\$1,216.83

<b>Sewer Minimum Charge</b>	<b>Rate FY 24</b>
Minimum Sewer Residential, Multi-Family, Ranches/ Magic	\$23.81
Sewer Commercial 1" Minimum	\$46.60
Sewer Commercial 1.5" Minimum	\$84.56
Sewer Commercial 2" Minimum	\$130.13
Sewer Commercial 3" Minimum	\$236.45
Sewer Commercial 4" Minimum	\$388.33
Sewer Commercial 6 & 8" Minimum	\$768.04

<b>Irrigation Minimum Charge</b>	<b>Rate FY 24</b>
Residential Irrigation Minimum	\$24.34
Commercial 1.5" Irrigation Minimum	\$121.68
Residential 2" Irrigation Minimum	\$194.69

<b>Water Volume Charge</b>	<b>Rate FY 24</b>
<b>Water Residential, Commercial 1", 1.5", 2", 3", 4", 6", &amp; 8", Ranches/ Magic</b>	
0-12,600 Gals	\$2.35
12,601-25,200 Gals	\$4.71
25,201 Gals and Over	\$ 7.06
<b>Water Med/High-Density Consumption</b>	
0-7,600 Gals	\$2.35
7,601-15,200 Gals	\$4.71
15,201 Gals and Over	\$ 7.06

<b>Sewer Volume Charge</b>	<b>Rate FY 24</b>
<b>Sewer Residential, Commercial 1", 1.5", 2", 3", 4", 6", &amp; 8", Ranches/ Magic</b>	
0 Gals and Over	\$3.16
<b>Sewer Med/High-Density Consumption</b>	
0 Gals and Over	\$3.16

<b>Irrigation Volume Charge</b>	<b>Rate FY 24</b>
<b>Irrigation Residential, Commercial 1.5" &amp; 2" Consumption</b>	
0-12,600 Gals	\$2.35
12,601-25,200 Gals	\$4.71
25,201 Gals and Over	\$ 7.06

### **Standby Fees**

Platted and unplatted residential & commercial parcels and tracts are charged a fee per parcel or tract.

### **Irrigation**

The projected revenue is based upon the current approved rate structure for irrigation water charges utilizing consumption projections for the upcoming year. The rate structure provides a per thousand-gallon rate for irrigation water only and, in the future, will include the Districts re-use projects.

### **NSF Check Fees**

Fees charged to customers related to non-sufficient funds.

### **Processing Fee Revenue**

A processing fee is charged for new accounts.



### **Lien Information Fee**

A fee is charged for an estoppel letter.

### **Delinquent Fee Revenue**

The Board of Supervisors, at a public meeting held in 2014, adopted a \$25 late fee to customers who receive a delinquent notice on their account and /or a termination date is hand-delivered.

### **Turn On Fees**

Fees are charged to customers who have had their service shutoff for lack of payment, and service is restored after payment.

### **Interest - Investments**

The District earns Interest Income on checking accounts with Truist, various CDs, and debt services trust accounts with US Bank.

### **Meter Fees**

Represents the amount collected for meter Fees based on the size of the meter:

<b><u>Meter Size</u></b>	<b><u>Amount</u></b>
5/8 " Meter	\$400.00
1" Meter	\$ 600.00
1 1/2" Meter	\$ 900.00
ERT	\$150
2" Meter	(\$150 per unit (ERC) plus cost of meter
3" Meter	(\$150 per unit (ERC) plus cost of meter

The amount budget is based on the prior year's meters.

### **Connection Fees - W/S**

Represents the amount collected for new connections based on the following:

<b><u>User Class</u></b>	<b><u>Wastewater</u></b>	<b><u>Water</u></b>
Single-Family	\$11,391	\$558
Medium Density	\$ 9,113	\$446
Commercial	\$12,872	\$ 631
Irrigation		\$166

The revenue is based on the prior year's fees.

### **Contract Field Management Revenue**

The District receives a reimbursement of \$15,000 from the Parkland Isles fund. This reimbursement is for field management services performed by District staff, including acting as a liaison between the homeowner associations (HOA), oversight of contractors, and compliance.

### **Miscellaneous Revenues**

Represents miscellaneous fees charged for repairs and other services provided to the customer by the District.

### **Vending Services**

The District provides employees with access to purchase subsidized meals onsite in order to save time and improve productivity.

## ***EXPENSES - PERSONNEL & ADMINISTRATION NARRATIVE***

### **Payroll - Salaried**

This includes payroll, workers comp, FUTA/SUTA taxes, and payroll charges for the admin. personnel based upon the current rate plus an increase. Each employee will be evaluated in September to determine their actual increase.

### **FICA Taxes**

Payroll taxes for the Administrative personnel.

### **Pension Benefits**

The District's pension plan was established whereby the employer contributes to each employee's annual salary into a Florida Retirement System.

### **Life and Health Insurance**

The District offers the employees' health, life, dental, and disability insurance as part of their benefits plan while employed by the District.

### **Worker's Compensation**

Payments are required by law to be made to an employee who is injured or disabled in connection with work. The District's policy is with Travelers Insurance.

### **Professional Services - Arbitrage Rebate**

The District contracts with an independent Certified Public Accountant to calculate its arbitrage rebate liability annually on its revenue bonds. The amount is based on the standard fees charged for this service.

### **Professional Services - Dissemination Agent**

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b) (5), which relates to additional reporting requirements for unrelated bond issues. The District has contracted for this service based on the contracted amount.

### **Professional Services - Engineering**

To provide engineering services to the District. Also, the district contracts with other engineering firms for electrical engineering, consulting, and surveying services.

### **Professional Services - Legal Services**

The District has legal counsel. This expense includes preparation for monthly board meetings, contract reviews, etc.

### **Professional Services - Trustee**

In 2011, The District issued the 2011 Series of Revenue Refunding Bonds, and is deposited with a Trustee to handle all trustee matters. The annual trustee fee is based on standard fees charged plus any out-of-pocket expenses.

### **Professional Service Website Development**

The District has contracted Watt Media Corp. to maintain its website, [www.nsidfl.gov](http://www.nsidfl.gov). The Federal Government has granted the District permission to use the .gov domain, which is consistent with government agencies.

### **Professional Services – Payroll / HR**

The District has contracted with ADP to handle payroll and other HR-related matters.

### **Auditing Services**

The District is required by Florida Statutes to arrange for an Independent Audit of its financial records annually. This expense is based on the existing engagement letter plus the anticipated increase for this year's engagement letter.



### **Financial and Accounting Services**

The District has contracted GMS (Government Management Services) to perform financial consulting services, Assessments for Non-Ad Valorem taxes, and coordinate with our in-house accountants.

### **Communication - Telephone**

Telephone and fax machine expenditure estimates are based on prior years cost.

### **Postage and Freight**

Mailing agenda packages, overnight deliveries, correspondence, utility bills, etc.

### **Insurance - General Liability**

The District retains an Insurance Agent, who on an annual basis, arranges the placement of the District insurance coverage requirements

### **Printing and Binding**

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, photocopies, etc.

### **Legal Advertising**

Advertising of monthly board meetings, public hearings, requests for bids, and any other legal advertising that may be required.

### **Office Supplies**

Any supplies that may need to be purchased during the Fiscal Year, i.e., paper, minute books, file folders, labels, paper clips, etc.

### **Vending Services**

The District provides employees with access to purchase subsidized meals on-site in order to save time and improve productivity.

### **Miscellaneous Services /Licenses & Permits**

This is for any miscellaneous services that are necessary for the operations and maintenance of the software.

### **Misc. Contingency**

This represents any unexpected expenses that may arise in the District.

### **Capital Outlay**

Periodic replacement of equipment as needed.

## ***EXPENSES – OPERATION & MAINTENANCE (PLANT) NARRATIVE***

### **Payroll - Salaried**

This includes Payroll, Workers Comp, FUTA/SUTA Taxes, and payroll charges for the Field personnel based upon the current rate plus an increase. Each employee is evaluated in September to determine their actual increase.

### **FICA Taxes**

Payroll taxes for the Plant Operations personnel.

### **Pension Benefits**

The District's pension plan was established whereby the District contributes to each employee's annual salary into a Florida Retirement System.

### **Life and Health Insurance**

The District offers the employee's Health, Life, Dental, and Disability Insurance.

### **Workers Compensation**

Payments are required by law to be made to an employee who is injured or disabled in connection with work.

### **Contracts - Meter Expense**

This is for the meter calibration every two (2) years.

### **Contracts - Water Quality**

Water Quality Testing is done for Monthly Test (BCHD), Standard Plate Count, UCMR2 EPA testing, Quarterly Water Samples, and Annual Water Analysis.

### **Contracts - Landscape**

This is for the monthly landscaping that is done for the water plant and several offsite locations, such as wells and right of ways for water plant operations.

### **Contracts - Generator Maintenance**

This is for the contract to repair and maintain the generators, plus clean fuels testing and tank cleaning on the District's generators.

### **Communication - Telephone - Plant**

The District provides telephones for all Plant Operations employees.

### **Electricity - General**

The electric requirements for the water plant and wells are based on operating history.

### **Utility - Wastewater Treatment**

The District transmits all of its wastewater for transmission, treatment, and disposal to Broward County through its Large User Agreement to the County's 2A regional facility.

### **Rentals - General**

This is for the rental of miscellaneous equipment that is needed for the District. Examples include heavy equipment; jackhammers; cranes, etc.

### **Insurance - General Liability**

The District uses an Insurance Agent who, on an annual basis, arranges the placement of the District's insurance coverage requirements.

### **R & M - General**

This expense is for repairs and maintenance on the District's equipment, which is necessary to maintain the District in an operational condition, which also includes trash pickup services.

### **R & M - Air Conditioning**

This is for any repairs and maintenance to the air conditioning system.



### **R & M - Electrical**

This is for the electrical maintenance supplies that the District may need.

### **R & M - Vehicles**

This is for the monthly maintenance on the District's vehicles plus any repairs.

### **R & M - Well Maintenance**

This is for the repair and maintenance on the District's wells.

### **R & M - Painting**

This is for painting the facility and storage tanks in the District.

### **Licenses & Permits**

This expense represents the cost of facility license renewals, subscriptions, employee licenses, books, and schooling required to maintain their operating license.

### **Contingency**

This is for any unforeseen expenses that may occur for the Plant Operations during the year.

### **Office Supplies**

Any office supplies that may need to be purchased during the Fiscal Year, i.e., paper, minute books, file folders, labels, paper clips, etc.

### **Operating Supplies - General**

This expense is for general operating supplies such as janitorial, lab supplies, etc., to operate the District's water treatment plant.

### **Operating Supplies - Uniforms**

This is for uniform rental plus an annual shoe allowance.

### **Operating Supplies - Fuel/Oil**

This is for Diesel Fuel and Gasoline purchased by the District.

#### **Operating Supplies - Chemicals**

This is for chemicals for Plant treatment purchased by the District.

#### **Operating Supplies - Lab Chemicals**

This is for lab chemicals purchased by the District.

#### **Operating Supplies - Lab Equipment**

This is for the purchase of lab equipment for the water plant for compliance testing required by regulatory agencies.

#### **Capital Outlay - Equipment**

This is reserved for the purchase of miscellaneous tools for the District.

#### **Capital Outlay - Vehicles**

This is to purchase vehicles if needed.

### ***EXPENSES – OPERATION & MAINTENANCE (FIELD) NARRATIVE***

#### **Payroll - Salaried**

This includes Payroll, Workers Comp, FUTA/SUTA Taxes, and payroll charges for the Field personnel based upon the current rate plus an increase. Each employee is evaluated in September to determine their actual increase.

#### **FICA Taxes**

Payroll taxes for the Field personnel.

#### **Pension Benefits**

The District's pension plan was established whereby the employer contributes to each employee's annual salary into the Florida Retirement System (FRS).

#### **Life and Health Insurance**

The District offers the employees Health, Life, Dental, and Disability Insurance.

### **Workers Compensation**

Payments are required by law to be made to an employee who is injured or disabled in connection with work.

### **Contracts - Generator Maintenance**

This is for the quarterly and yearly maintenance of generators.

### **Communication - Telephone - Field**

The District provides cellular telephones for all field employees. This also includes service from Sunshine State One Call.

### **Electricity - General**

The District has utility accounts with Florida Power & Light for the field lift stations.

### **Utility - Meter Replacement Program**

This expense represents replacing customer utility billing meters, which have a limited operational life and must be replaced approximately every ten years.

### **Utility Backflow Preventers**

This expense is for installing or replacing backflow preventers at our customer's utility meters as required by Florida law. This prevents cross-connections and unsafe backflow hazards into our potable water distribution system.

### **Insurance - General Liability**

The District retains an Insurance Agent who, on an annual basis, arranges the placement of the District insurance coverage requirements.

### **R & M - General**

This expense is for repairs and maintenance on the District's equipment, which is necessary to maintain the District in an operational condition.

### **R & M - Lift Station**

This expense includes pump repairs and cleaning for the lift stations.



### **R & M - Road & Alleyways**

This expense includes street and driveway paving and repairs.

### **R & M - Vehicles**

This is for the monthly maintenance on the District's vehicles plus any repairs.

### **R & M - Painting**

This expense is for painting miscellaneous items, such as lift stations, fire hydrants, etc.

### **Licenses & Permits**

This expense includes costs for permits, employee license renewals, subscriptions, licensing, books, and schooling required to maintain compliance with employee licensing requirements.

### **Misc. Contingency**

This is for any unforeseen expenses that may occur in the Field during the year.

### **Office Supplies**

Any office supplies that may need to be purchased during the Fiscal Year, i.e., paper, minute books, file folders, labels, paper clips, etc.

### **Operating Supplies - General**

This is for any miscellaneous contingencies that may arise in the District.

### **Operating Supplies - Uniforms**

This is for uniform rental plus an annual shoe allowance.

### **Operating Supplies - Fuel / Oil**

This is for Diesel fuel and Gasoline purchased by the District.

### **Operating Supplies - Meter Supplies**

This expense includes Meter installation supplies.

### **Operating Supplies - Hand Tools**

This expense includes hand and power tools that may be needed for the job.

### **Capital Outlay - Equipment**

This is for the purchase of new equipment for the District as needed to maintain operations.

### **Capital Outlay - Vehicles**

This is to purchase vehicles if needed.

### **Reserve - Renewal & Replacement**

This is for the reserves for the renewal & replacement.

## ***DEBT SERVICES NARRATIVE***

### **Debt Retirement**

The District has refinanced all of its water and sewer tax-exempt bonds into a new series 2011, Water & Sewer Revenue Refunding / Revenue Bond. These bonds have a principal and interest payment due October 1 each year and are based on amortization schedules

### **Interest Expense**

The District has refinanced all its water and sewer tax-exempt bonds into a new 2011 series Water & Sewer Revenue Refunding / Revenue Bond. These bonds have a principal and interest payment due April 1<sup>st</sup> & October 1<sup>st</sup>, each year and are based on amortization schedules.

### **Projected Annual Income (Loss)**

This is the total income received or total income loss after all expenses have been paid by the District to include operational expenses and debt service.

### **Coverage Calculation**

The District is required to maintain 110% debt coverage as required by the series 2011 bond documents. This means that the District's operating income needs to equal or exceed its annual debt service payments by 110%.

### **Budgeted Reserves**

- **Renewal & Replacement:** The District has developed a reserve program for replacing operational equipment after it has exceeded its life expectancy or is no longer operational.
- **Rate Stabilization:** This expense is to stabilize the Water & Sewer bond rates in the 2011 series.

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