

**ST. MARY'S COUNTY
METROPOLITAN COMMISSION**

OPERATING BUDGET

FISCAL YEAR 2009

FY 09 OPERATING BUDGET

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**ST. MARY'S COUNTY METROPOLITAN COMMISSION
BUDGET MESSAGE FY09**

GENERAL COMMENTS:

This budget was prepared from data obtained through staff conferences, Commission meetings, cost analysis, prior years' flow analyses, comparative figures and operational policies. The budget was prepared as a consolidated budget for the whole of St. Mary's County, with each unit paying a unified cost. The basis for the flow of water was a combination of all pumping stations. The basis for the flow of wastewater was a combination of all treatment plants. The rates are uniform throughout all Sanitary Districts.

REVENUES:

Service rates include an increase for overages only; customers that do not use more than the allowed amount will not see an increase in their service charges. This will discourage usage.

Service Rates:

	Current Rates	New Rates
Sewer		
Non-metered per EDU	\$26.39/mo	\$26.39/mo
Metered -5,400 Gallons/Mo	\$22.41/mo	\$22.41/mo
Usage Rate	\$4.15/Kgal	\$4.27/Kgal
Water		
Non-metered per EDU	\$24.62/mo	\$24.62/mo
Metered -6,000 Gallons/Mo	\$14.64/mo	\$14.64/mo
Usage Rate	\$2.44/Kgal	\$2.65/Kgal

Septage rates are increasing, but only the septic tank rate is increasing to the rate required to recover all costs associated with this service. Porta Potty and Grease Trap Waste rates are increasing but the rate of increase is only 50% of the amount needed to recover the cost of providing this service. These rates are being proposed as a result of the public hearing held 5/28/08. MetCom recognizes that the Septage Haulers should be paying for the service that they are receiving, but the increase is so large that it is being phased in. FY09 is the second year of this phasing in process.

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
BUDGET MESSAGE FY09**

Septage Hauler Rates:

Septic Tank Waste	\$40.31/Kgal	\$59.33/Kgal
Portable Toilet Waste	\$50.31/Kgal	\$71.41/Kgal
Grease Trap Waste	\$60.31/Kgal	\$119.39/Kgal

There are two engineering rates which are increasing, three new rates to recover the cost of providing services which we are currently providing without compensation and the elimination of two charges.

Engineering Rates:

C/O Inspection Water or Sewer	\$50.00	\$120.00
C/O Inspection Water and Sewer	\$60.00	\$180.00
Shared Use Wells	\$0.00	\$25.00
Easement Agreements	\$0.00	\$200.00
Waiver Requests	\$0.00	\$225.00
Miss Utility Locate First Time	\$35.00	\$0.00
Miss Utility Locate Return	\$15.00	\$0.00

EXPENSES:

Although there are wide variations in total expenses by department due to changes in the allocation of costs, total expenses are \$10.3 million, unchanged from the FY08 originally budgeted expenses.

The MDE loans that were taken out to finance major capital improvement projects that will replace water and sewer facilities that have reached the end of their life expectancy will no longer be paid for out of the operating budget. Effective October 1, 2007 this debt will be financed through the System Improvement Charge.

Salaries are the biggest component of our budget. FY09 includes a 3% Cost of Living increase and step increases. The budget also includes three new positions: Water Distribution/Wastewater Collection Operator, Radio Technician and a contractual Water Meter Technician. First Call Stand-by Coverage is being increased by \$7,430 to provide better after hours coverage. A vacant position, Field Services Administrator will be filled at 50%. Salaries are increasing by \$367K, but \$196K of that increase is to be for Capital Projects.

ST. MARY'S COUNTY METROPOLITAN COMMISSION
BUDGET MESSAGE FY09

Health insurance is almost \$1.3 million, an increase of 16% over FY08 operating budget. It includes full funding of the Annual Required Contribution, ARC, to the Other Post-Employment Benefit Trust, OPEB, in the amount of \$458K, as well as a 19% increase in health insurance premiums.

Electricity to operate the water and sewer plants is over \$1 million. The budget includes a 10% reduction in power to be used by the water stations.


The "pension loan" is being amortized over 30 years. This is an internal loan and the repayment will be made to the debt service funds.

G&A Overhead is allocated to operations at 54% to Sewer, 35% to Water and 11% to Engineering. Contingencies are budgeted at 1.52% of Sewer Expenses and 5% of Water and Engineering Expenses.

Forty percent of the Engineering Department expenses are being allocated to Sewer (60%) and Water (40%) operating expenses. Seventy-five percent of location costs will also be charged to operations, Sewer (60%) and Water (40%).

CAPITAL EQUIPMENT AND EXPENDITURES:

Capital equipment is budgeted at \$460,216, a decrease of 237K from FY08.



Rebecca B. Shick, Chief Financial Officer

Approved this 12th day of June, 2008 by the
St. Mary's County Metropolitan Commission



Frank E. Taylor, Chairman

ST. MARY'S COUNTY METROPOLITAN COMMISSION
 OPERATING BUDGET - ALL DISTRICTS FISCAL YEAR 2009

6/4/2008

Metered Rate increased from \$4.15 \$4.27

SEWER DIVISION	Incr over Projection	Incr over budget	FY 09 BUDGET	FY 08 PROJECTION	FY 08 JULY-JAN	FY 08 BUDGET	FY 07 ACTUAL	FY 06 ACTUAL	FY 05 ACTUAL
Operating Income									
Service Charge - Metered	9,174	(150,567)	919,835	910,661	\$ 531,219	\$ 1,070,402	\$ 888,351	\$ 897,173	\$ 956,099
Service Charge - Non-Metered	191,275	(109,824)	4,783,925	4,592,650	2,679,046	4,893,749	3,797,962	3,593,606	3,372,739
Septage Haulers	24,881	66,017	86,482	61,601	35,934	20,465	22,723	18,301	27,051
Remote Area & Shared System Surcharge	802	5,129	27,543	26,741	15,599	22,414	22,443	16,865	-
Other Revenue	939	(23,045)	32,233	31,294	18,255	55,278	97,834	42,779	131,127
Energy Surcharge	-	-	0	-	-	-	250,624	-	-
Total Operating Income	227,071	(212,290)	\$ 5,850,018	\$ 5,622,947	\$ 3,280,053	\$ 6,062,308	\$ 5,079,937	\$ 4,568,724	\$ 4,487,016
Operating Expenses									
Salaries	207,652	127,629	\$ 1,662,084	\$ 1,454,432	\$ 793,519	\$ 1,534,455	\$ 1,365,297	\$ 1,270,486	\$ 1,174,818
Casual Labor	79	(15,358)	2,719	2,640	1,540	18,077	17,550	23,567	18,684
Maintenance	72,826	(48,332)	351,668	278,842	162,658	400,000	385,605	310,638	323,389
Leoardtown Plant	11,110	12,450	161,880	150,770	78,518	149,430	139,256	101,546	118,562
Power	69,540	(26,131)	504,163	434,623	253,530	530,294	480,181	385,723	272,124
Telephone/Dialers	910	2,509	31,234	30,324	17,689	28,725	27,974	33,610	25,028
Major System Repair	13,870	18,635	47,635	33,765	19,696	29,000	42,802	35,067	30,490
Fuel (Diesel & Oil)	37,225	15,494	94,494	57,269	33,407	79,000	87,584	44,818	20,780
Lab & Soils Testing	2,258	1,904	6,461	4,203	2,452	4,557	5,487	6,981	8,396
Major Testing	-	(6,000)	0	-	-	6,000	0	-	-
Chemicals	(20,211)	(24,760)	120,293	140,504	84,391	145,053	130,715	99,980	56,750
Employee Related Expense	1,914	(3,225)	15,453	13,539	7,898	18,678	15,295	12,869	15,580
Materials & Supplies	2,585	10,181	88,880	86,295	50,339	78,699	72,648	61,847	79,014
Building Utilities	1,843	7,225	38,700	36,857	21,500	31,475	28,394	25,960	23,394
Miscellaneous	96	619	3,286	3,190	1,861	2,667	2,722	5,602	4,871
Vehicles	51,676	56,084	105,853	54,177	31,603	49,769	52,785	44,673	31,883
Sludge Removal Expense	12,000	12,000	110,000	98,000	57,680	98,000	122,170	97,980	82,149
Depreciation	8,360	(5,000)	170,000	161,640	94,290	175,000	155,508	134,997	91,004
MDE Loan Repayment #19 (Lex Pk WWPS)	(4,811)	(7,585)	0	4,811	-	7,585	52,722	56,000	-
New loan for Patuxent Park	-	(3,600)	0	-	-	3,600	-	-	-
Recvty of Cost	(51,939)	(50,950)	(51,939)	-	-	(989)	(720)	(11,826)	(3,852)
Contingencies	52,727	(116,727)	52,727	-	-	169,454	-	-	-
Allocation of OH	218,776	100,216	2,031,367	1,812,591	1,022,865	1,931,151	1,462,006	1,342,130	1,272,184
Allocation of Engineering	97,475	49,918	253,252	155,777	90,870	203,334	116,118	118,581	195,489
Total Operating Expenses	785,962	107,197	\$ 5,800,211	\$ 5,014,249	\$ 2,831,117	\$ 5,693,014	\$ 4,762,099	\$ 4,201,229	\$ 3,840,717
Net Direct Sewer Operating Income			\$ 49,808	\$ 608,698	\$ 448,936	\$ 369,294	\$ 317,838	\$ 336,994	\$ 646,299
Less: Contribution to Reserves			2,490			303,115			
Balance to Funds			\$ 47,317	\$ 448,936	\$ 448,936	\$ 66,179	\$ 317,838	\$ 336,994	\$ 646,299

a Per Rebecca Sothoron, Leonardtown Treasurer, \$161,880 is preliminary budget number.
 b Calendar year 07 was a 26% decrease from the average of 2004, 2005 & 2006, because of drought and VFD's, assuming 15% of decrease due to VFD's.
 c Increase of 4% plus the debt service on the Vacon & Vactor

ST. MARY'S COUNTY METROPOLITAN COMMISSION
 OPERATING BUDGET - ALL DISTRICTS FISCAL YEAR 2009

Water Coverage increased from \$2.44 to \$2.65

Inc over Proj Incr over budget

WATER DIVISION	FY 09		FY 08		FY 08		FY 07		FY 06		FY 05	
	BUDGET	PROJECTION	JULY-JAN	BUDGET	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Operating Income												
Service Charge - Metered	\$ (146,243)	\$ 294,018	\$ 3,265,460	\$ 3,411,703	\$ 1,990,160	\$ 2,971,442	\$ 2,159,671	\$ 2,111,596	\$ 1,908,954	\$ 2,111,596	\$ 2,111,596	\$ 1,908,954
Service Charge - Non-Metered	9,159	(45,268)	329,350	320,191	186,778	374,618	294,201	284,489	310,799	284,489	284,489	310,799
Ready-to-Serve	1,868	(16,196)	64,141	62,273	36,326	80,337	60,921	58,073	54,036	58,073	58,073	54,036
Water Tower Rental	1,054	(489)	103,635	102,581	59,851	104,124	87,263	71,617	68,616	71,617	71,617	68,616
Other Revenue - mostly turn on/off	1,632	20,160	56,018	54,386	31,725	35,858	40,880	39,164	58,803	39,164	39,164	58,803
Energy Surcharge	-	-	-	-	-	-	168,968	-	-	-	-	-
Total Operating Income	(132,530)	252,225	3,818,604	3,951,134	2,304,840	3,566,379	2,811,904	2,564,939	2,401,208	2,564,939	2,564,939	2,401,208
Operating Expenses												
Salaries	\$ 163,425	\$ 115,412	\$ 885,174	\$ 721,749	\$ 392,557	\$ 769,762	\$ 637,859	\$ 561,099	\$ 582,552	\$ 637,859	\$ 637,859	\$ 582,552
Casual Labor	79	(13,284)	2,719	2,640	1,540	16,003	15,537	20,644	18,684	15,537	15,537	18,684
Meter Reading Expense	2,900	3,355	73,398	70,498	41,124	70,043	68,372	65,260	58,844	68,372	65,260	58,844
Maintenance	15,144	(6,195)	99,528	84,384	49,224	105,723	87,991	71,467	90,117	87,991	71,467	90,117
Fire Hydrant ISO Inspection (50%)	5,000	5,000	25,000	20,000	4,255	20,000	19,082	13,664	-	20,000	13,664	-
Power	(28,479)	13,843	541,098	568,577	332,253	527,255	496,491	420,101	317,550	527,255	420,101	317,550
Telephone/Dialers	(3,665)	(7,695)	11,992	15,657	9,133	19,687	19,052	19,607	20,565	19,052	19,607	20,565
Major System Repair	14,299	46,000	87,000	72,701	42,409	41,000	52,480	13,294	19,020	52,480	13,294	19,020
Fuel (Diesel & Oil)	1,983	(2,575)	5,033	3,050	1,779	7,608	6,834	578	1,077	6,834	578	1,077
Water Testing	39	(124)	1,339	1,300	0	1,463	1,065	5,067	1,544	1,065	5,067	1,544
Major Testing	2,417	6,877	16,323	13,906	8,112	9,446	13,977	8,529	10,971	13,977	8,529	10,971
Chemicals	15,343	15,150	108,294	92,951	51,305	93,144	69,609	68,890	61,953	93,144	68,890	61,953
Employee Related Expense	683	678	7,772	7,089	4,135	7,094	5,202	4,886	7,437	7,094	4,886	7,437
Materials & Supplies	6,457	10,309	64,227	57,770	33,699	53,918	50,328	78,970	64,789	53,918	50,328	78,970
Building Utilities	699	4,197	23,991	23,292	13,587	19,794	18,746	18,293	15,803	19,794	18,293	15,803
Miscellaneous	6	122	222	216	126	100	-	10,055	126	100	10,055	126
Vehicles	1,567	3,741	40,744	39,177	22,853	37,003	36,558	33,110	24,122	37,003	33,110	24,122
MDE Loan Repayment (#20 Water Meter Ins	(11,744)	(13,467)	-	11,744	11,744	13,467	97,218	104,892	-	13,467	97,218	-
New Loan for Arsenic Well & Pax Park	-	(13,084)	-	-	-	13,084	-	-	-	-	-	-
Depreciation	10,460	(10,000)	140,000	129,540	75,565	150,000	123,338	107,190	95,322	150,000	107,190	95,322
Contingencies	106,693	7,913	106,693	-	-	98,780	-	-	-	-	-	-
Recrvy of Cost	-	-	-	-	-	-	-	(1,637)	(342)	-	(1,637)	(342)
Allocation of OH	287,630	168,899	1,294,625	1,006,995	587,198	1,125,726	812,226	770,482	848,123	1,006,995	812,226	848,123
Allocation of Engineering	64,989	33,279	168,835	103,846	60,577	135,556	77,412	79,054	130,326	135,556	79,054	130,326
Total Operating Expenses	655,925	368,351	3,704,007	3,048,082	1,743,175	3,335,656	2,709,377	2,473,495	2,368,582	3,335,656	2,473,495	2,368,582
Net Direct Water Operating Income												
	\$ 114,597	\$ 903,052	\$ 230,723	\$ 561,665	\$ 102,527	\$ 91,444	\$ 32,626	\$ 91,444	\$ 32,626	\$ 91,444	\$ 91,444	\$ 32,626
Less: Contribution to Reserves (5%)			5,730	-	-	178,319	-	-	-	-	-	-
Balance to Funds												
	\$ 108,867	\$ 903,052	\$ 52,404	\$ 102,527	\$ 91,444	\$ 91,444	\$ 32,626	\$ 91,444	\$ 32,626	\$ 91,444	\$ 91,444	\$ 32,626

a Includes a 5% increase in the cost of power and a 10% reduction in the volume of power.
 b FY 08 is for telephone dialers at 39 sites. Plan to reduce the number of dialers to 29. Also includes a 3% increase.
 c Includes a 3% increase plus \$2,000 to cover 150 additional lead & copper tests.

ST. MARY'S COUNTY METROPOLITAN COMMISSION
 OPERATING BUDGET - FISCAL 2009 BUDGET
 ENGINEERING SERVICES

6/4/2008

	Inc over Proj	Incr over budget	FY 09 BUDGET	FY 08 PROJECTION	FY 08 JULY-JAN	FY 08 BUDGET	FY 07 ACTUAL	FY 06 ACTUAL	FY 05 ACTUAL
Engineering Income									
Review Fees	\$ 50,000	\$ (332,534)	\$ 182,807	\$ 132,807	\$ 49,360	\$ 515,341	\$ 387,820	\$ 484,620	\$ 35,700
Inspection Fees	178,476	46,122	538,092	359,616	179,808	491,970	345,508	142,490	158,504
Miss Utility Fees	(28,835)	(228,915)	-	28,835	18,075	228,915	-	-	-
Admin & Other Fees	16,198	(4,512)	41,977	25,779	15,038	46,489	47,798	25,388	-
Total Engineering Income	215,839	(519,839)	\$ 762,876	\$ 547,037	\$ 262,281	\$ 1,282,715	\$ 781,126	\$ 652,498	\$ 194,204
Engineering Expenses									
Salaries	\$ (97,788)	\$ (103,523)	\$ 401,801	\$ 499,589	\$ 274,202	\$ 505,324	\$ 498,321	\$ 420,550	\$ 326,412
Salaries- Locates	(3,827)	4,863	101,538	105,365	56,735	96,675	106,122	77,954	62,828
sub-total			\$ 503,339	\$ 604,954	\$ 330,937	\$ 601,999	\$ 604,443	\$ 498,504	\$ 389,240
Casual Labor	(7,500)	\$	\$	\$	\$	7,500	\$	\$	13,998
Professional Service	(810)	(65,000)	15,000	15,810	4,517	80,000	54,358	102,952	-
Vehicle Operation & Maintenance	146	(4,032)	3,794	3,648	2,128	7,826	6,935	15,885	17,518
Office Supplies & Expense	278	(439)	9,537	9,259	5,401	9,976	8,876	14,265	13,205
Building Utilities (power,cable, trash, fuel, a	176	(1,975)	4,582	4,406	2,570	6,557	4,959	5,380	4,264
Phone & FAX & Pagers	202	2,797	6,939	6,737	3,930	4,142	4,846	3,912	4,081
Mileage	175	1,284	4,540	4,365	2,546	3,256	3,240	13,387	2,487
Employee Related Expense(training,page	767	(5,098)	7,316	6,549	3,820	12,414	6,497	3,347	1,393
Depreciation	6,144	(5,000)	45,000	38,856	22,666	50,000	40,686	34,185	23,841
Miss Utility Expense	245	(24)	8,402	8,157	4,758	8,426	9,861	7,835	7,288
Miscellaneous Expense	7	-	254	247	144	254	269	-	4,518
Recv'ry of Cost	(50,031)	(126,644)	(180,762)	(130,731)	(76,260)	(54,118)	(211,868)	(42,164)	(94,602)
Allocation of OH	(123,780)	(129,997)	413,284	537,064	284,129	543,281	433,187	372,814	-
Allocation to Sewer (60%)	(97,475)	(49,918)	(253,252)	(155,777)	(90,870)	(203,334)	(116,118)	(118,581)	(195,489)
Allocation to Water (40%)	(64,989)	(33,279)	(168,835)	(103,846)	(60,577)	(135,556)	(77,412)	(79,054)	(130,326)
Allocation to Inspections	(34,784)	16,656	(212,441)	(177,657)	(103,633)	(229,097)	(197,004)	(197,004)	-
Contingencies 5%	56,427	(20,792)	56,427	-	-	77,219	-	-	-
Inspection Salaries	58,105	16,885	259,167	201,062	108,264	242,282	181,735	200,410	129,075
Inspection Vehicle Charges(Fuel/Mileage,	1,080	11,807	28,077	26,997	15,748	16,270	17,958	4,246	-
Inspection - Professional Services	-	-	0	-	38	-	3,212	27,624	-
Inspection - Supplies	2	(4,254)	67	65	38	4,321	-	-	-
Inspection Overhead	34,784	(16,656)	212,441	177,657	103,633	229,097	142,692	197,004	142,411
Inspection Total	93,971	7,782	499,752	405,781	227,683	491,970	345,597	429,284	271,486
Total Engineering Expenses	(314,946)	(519,839)	\$ 762,876	\$ 1,077,822	\$ 563,889	\$ 1,282,715	\$ 1,118,356	\$ 1,078,008	\$ 332,902
Income From Engineering									
			\$ 0	\$ (530,785)	\$ (301,608)	\$ -	\$ (337,230)	\$ (425,510)	\$ (138,698)

Engineering Division

Note: Total Expenses excluding S & W Allocations:

Engineering minus inspection expenses =	1,184,963
60% Covered by Revenue =	685,211
40% Covered by S & W Operations =	411,126
75% of Locate Cost	274,084
Allocate to Sewer & Water	148,003
	<u>422,087</u>
Sewer 60%	253,252
Water 40%	168,835

Location Costs:

Location Salaries	101,538
Locates Overhead	83,231
Miss Utility	8,402
Mileage	4,167
	<u>197,338</u>

Engineering Share 25%

49,335

Operations Share 75%

148,003

ST. MARY'S COUNTY METROPOLITAN COMMISSION
OPERATING BUDGET - FISCAL 2009 BUDGET

GENERAL AND ADMINISTRATIVE EXPENSES

	Incr over Proj	Incr over budget	FY 09 BUDGET	YE PROJ	FY 08 JULY- JAN	FY 08 BUDGET	FY 07 ACTUAL	FY 06 ACTUAL	FY 05 ACTUAL
Administrative Salaries	\$ 129,336	\$ 34,938	\$ 1,019,386	\$ 890,050	\$ 472,927	\$ 984,448	\$ 811,750	\$ 780,029	\$ 748,616
Commissioner Stipend	-	-	14,500	14,500	6,422	14,500	15,328	14,000	14,167
Casual Labor	3,000	(1,569)	3,000	0		4,569	3,436	4,528	6,709
Payroll Taxes	30,874	22,258	350,142	319,268	170,925	327,884	270,608	244,156	228,134
Hospitalization	179,035	178,163	1,263,322	1,084,287	623,841	1,085,159	590,225	531,489	538,864
Maryland State Pension Plan	50,256	(23,646)	337,099	286,843	166,093	360,745	237,381	190,419	3,587,251
Long Term Disability & Life Insurance	520	955	17,850	17,330	10,109	16,895	16,565	15,959	14,561
Tuition Reimbursement/Beneficial Suggestic	8,581	5,296	15,932	7,351	605	10,636	5,003	13,478	7,875
Office Supplies & Printing	(7,364)	2,393	63,953	71,317	49,954	61,560	52,884	79,054	52,612
Postage Expense	813	5,993	95,246	94,433	61,228	89,253	76,995	79,456	76,421
Insurance	8,501	11,316	196,218	187,717	106,945	184,902	186,171	169,976	157,510
Mortgage Amortization	(5,352)	(6,573)	0	5,352	5,352	6,573	90,398	57,293	56,812
Trailer Rental	5	-	4,925	4,920	2,870	4,925	5,859	-	-
Pension Loan	-	-	113,092	113,092	65,968	113,092	113,092	113,092	-
Accounting & Audit	1,025	(11,100)	16,900	15,875	12,125	28,000	13,349	33,969	21,305
Computer & IT Services	1,675	(7,057)	44,943	43,268	24,073	52,000	31,964	2,544	46,133
Legal Services	1,806	(17,999)	62,001	60,195	35,695	80,000	53,337	88,223	58,299
Misc. Consultants	144	(35,068)	4,932	4,788	553	40,000	25,251	10,665	135,956
Building Utilities(power,cable,trash,fuel,clear	393	(3,432)	10,214	9,821	5,729	13,646	11,121	12,593	9,983
Phone & FAX	852	12,713	29,259	28,407	16,571	16,546	20,530	20,050	18,143
Vehicle Operation	43	26	1,108	1,065	621	1,082	1,199	1,516	2,717
Employee Related Expense(training,physica	8,401	4,644	16,126	7,725	3,051	11,482	6,793	8,401	3,966
Depreciation	9,688	(5,000)	55,000	45,312	26,432	60,000	51,464	62,212	67,779
Admin. Bond Expense	725	-	2,500	1,775	775	2,500	1,500	1,775	3,025
Employment Advertising	165	5,673	5,673	5,508	918				
Classifieds	827	9,125	28,399	27,572	17,583	19,274	15,870	31,425	19,317
Public Relations	2,700	2,700	2,700						
Miscellaneous Expense	182	(2,612)	6,247	6,065	3,538	8,859	4,764	8,136	13,311
Dues & Subscriptions	625	625	5,825	5,200	3,976	5,200	4,262	4,225	3,768
Recvry of Cost (Grants & Projects)	(44,831)	(43,645)	(47,216)	(2,385)	(687)	(3,571)	(9,680)	(3,171)	(119,762)
Total G & A Expenses	382,626	139,117	\$3,739,276	\$3,356,650	\$1,894,192	\$3,600,159	\$2,707,419	\$2,575,492	\$5,771,472

To Sewer	54%	2,031,367	1,812,591	1,022,865	1,931,151	1,462,006
To Water	35%	1,294,625	1,006,995	587,198	1,125,726	812,226
To Engineering	11%	413,284	537,064	284,129	543,382	433,187
		<u>3,739,276</u>	<u>3,356,650</u>	<u>1,894,192</u>	<u>3,600,259</u>	<u>2,707,419</u>

General & Administrative Expenses - Footnotes

- a Reduce 08 printing by \$5,000. We did three mailings in FY08, expect to do 2 in FY09. Postage is going to increase about 6.5%.
- b Part of System Improvement Charge
- c Rental of trailer for additional office space, \$410/month.
- d Amortizing pension loan over 30 years
- e Financial Audit \$9,900, single audit \$5,000, OPEB trust \$2,000
- f An increase of 3% plus \$1,675 for additional costs for maintenance of Navilime software.
- g Advertising in local paper.

G&A EXPENSE/DIRECT SALARIES=OVERHEAD

\$3,739,276 / 4,561,720 81.97%

G&A Expense plus standby & supplemental pay / total straight time salaries plus overtime

ST. MARY'S COUNTY METROPOLITAN COMMISSION

OPERATING BUDGET - FISCAL YEAR 2008

OTHER INCOME AND EXPENSE :	FY 09 BUDGET	FY 08 YE PROJ	FY 08 JULY-JAN	FY 08 BUDGET	FY 07 ACTUAL	FY 06 ACTUAL	FY 05 ACTUAL
Interest Income	\$ 126,658	\$ 122,969	\$ 71,732	\$ 84,320	\$ 80,380	\$ 61,398	\$ 40,971
Interest Expense	(4,645)	(4,510)	(2,631)	(7,100)	(6,883)	(4,515)	-
Late Charge Income	80,001	77,671	45,308	81,680	42,902	59,476	41,828
Meter Installation (net)	(17,000)	79,001	46,084	(15,285)	(19,254)	(11,130)	69,002
Sewer Connec. Chrg. (net)	364	353	206	200	217	3,310	218,776
Miscellaneous	46	45	26	-	(967)	3,869	25,437
Total Other Income and Expense	\$ 185,424	\$ 275,529	\$ 160,725	\$ 143,815	\$ 96,395	\$ 112,408	\$ 396,014

NET INCOME FROM SERVICE CHARGES

Non-Operating Income							
Water Supply Fees	0	203,730	203,730	22,823	161,578	200,944	77,950
Water Storage Fees	0	298,590	298,590	95,671	441,462	383,510	125,990
TOTAL NON-OPERATING INCOME	\$ -	\$ 502,320	\$ 502,320	\$ 118,494	\$ 603,040	\$ 584,454	\$ 203,940

OTHER FUNDS - EXCLUDING DEBT SERVICE

Reserve for Replacement Assessments	\$ -	\$ 40,553	\$ 40,553	\$ 38,015	\$ 101,090	\$ 141,279	\$ 132,273
Sinking Fund-Marley Taylor	0	8,207	8,207	8,161	31,714	30,997	-
Sewer Capacity Charges	0	357,034	357,034	81,319	453,894	458,000	-

OTHER FUNDS - DEBT SERVICE

Hermanville Rd Force Main	0	76,860	76,860		97,732		
Benefit Assessments - Sewer	0	393,433	393,433		1,779,639		
Benefit Assessments - Water	0	45,770	45,770		255,477		
Interest Income - Sewer	0	49,477	49,477		96,433		
Interest Income - Water	0	16,250	16,250		32,144		
Debt Service - Sewer & Water	0	(100,900)	(100,900)		(2,029,245)		
System Improvement Charges - Sewer	2,154,212	1,695,626	730,607				
Capital Contribution Charges - Sewer	471,092	125,883	57,274				
Debt Service- Sewer	(2,465,149)	(1,523,918)	(153,484)				
Pay-go	(592,874)						
Reserves	432,720						
System Improvement Charges - water	1,351,988	539,732	235,849				
Capital Contribution Charges - water	206,125	49,745	30,915				
Debt Service- water	(1,483,278)	(854,830)	(153,484)				
Pay-go	(134,483)						
Reserves	59,647						

TOTAL OTHER FUNDS

	\$ (0)	\$ 918,922	\$ 1,634,361	\$ 127,495	\$ 818,878	\$ 630,276	\$ 132,273
GRAND TOTAL	\$ 349,828	\$ 2,599,904	\$ 3,006,398	\$ 989,822	\$ 1,601,449	\$ 1,330,066	\$ 1,272,453

Available for Capital Expenditures

Sewer Net Income	\$49,808
Water Net Income	114,597
Engineering	0
Other Income	185,424
Net Income from Service Charges	<u>\$349,829</u>
sewer depreciation	\$170,000
water depreciation	140,000
engineering depreciation	45,000
g&a depreciation	55,000
Total Depreciation	<u>410,000</u>
Net Income plus Depreciation	\$759,829

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
CAPITAL EQUIPMENT & EXPENDITURES
FISCAL YEAR 2009**

6/4/2008

Original Budget

Water & WW Collection

Truck 1/2 T 2WD Replace Truck 545	\$21,575
Truck 1/2 Ton 4WD Replace Truck 549	25,000
Truck 1/2 T 2WD Replace Truck 552	21,575
Chlorine Analyzers CL17	13,000
Radio Replacements 6	15,000
Extension Cable for Camera System	1,700
Rear View Camera for Camera System	2,600
Sewer Inspection Pole Camera	10,000
Pump Around at St. George Island WWLS	8,000
Replace Valves at Forest Run WWLS	30,000
Replace 3 Valves on California Run WWLS #2 Pump	10,000
Hide-away Crane for Grinder Pump Truck	3,000
Sub-total Water WW Collection	\$161,450

Maintenance

Carpeting for some areas of the Larry Petty Building	5,500
Replace/Upgrate HVAC System Larry Petty Building	25,000
Sub-total Maintenance	\$30,500

**ST. MARY'S COUNTY METROPOLITAN COMMISSION
CAPITAL EQUIPMENT & EXPENDITURES
FISCAL YEAR 2009**

6/4/2008

Original Budget

Marlay-Taylor/SCSWS Treatment Plants

Replace Truck 533 with 4 cylinder	15,000
Drying Oven for the Lab	3,000
Wear Bar & Forks for the Bobcat (Skid Loader)	1,250
Bush Hog Mower	1,500
Radio	2,500
Sub-total Treatment Plants	\$23,250

Fiscal & Administration

Finisher for New Copier	1,650
Folder/Inserter	13,905
Large Shredder	1,600
HTE Purchasing Software	41,540
Sub-total Fiscal & Administration	\$58,695

IT

HRIS Software	1,200
Performance Management Software	11,393
ID Badge System	1,500
IBM System i5 Model 9407-515	24,000
Dell Vostro Mini Tower Workstations - 11	11,000
HP/Agilent U1604A Digital Oscilloscope/DMM	1,700
HP LaserJet 425C Admin & Billing	4,400
Window Server 2008 Software	7,500