

SPECIAL REVENUE FUNDS

A Special Revenue Fund is established to finance particular activities and is created out of receipts of specific taxes or other designated revenues. Such funds are authorized by statutory provisions to pay for certain activities with some form of continuing revenue.

Utility Fund

The following Funds are a component of the Utility Fund:

- ➡ **WATER & SEWER:** This fund accounts for operations of the water and sewer system. User charges are designed to recover cost of operation and maintenance of the system, exclusive of depreciation and major capital improvements.
- ➡ **HAWSP (Homer Accelerated Water/Sewer Projects)** This Fund collects 3/4 of 1% of Sales Tax Receipts received by the City of Homer. New infrastructure is completed through this fund. LID's (Local Improvement District's) are set up when appropriate where the customer is responsible for a portion of the cost to have water/sewer lines extended on their behalf. A loan is taken out through Alaska Clean Water/Drinking Water through the ADEC. Low interest rates are obtained and the same rates and payment periods are passed onto our customers.
- ➡ **WATER & SEWER DEPRECIATION RESERVES** This Fund is used to put resources aside for the replacement and repair of fixed assets. Two separate accounts are maintained for depreciation reserves for the Utility Fund, one is for Water Infrastructure and one is for Sewer Infrastructure. Transfers are made annually through the budget process.
- ➡ **Water & SEWER PROJECTS:** This Fund is used as a pass-through fund. All projects that are Water / Sewer related that any kind of funding is to be received for have to be maintained separately for accounting purposes. This account allows for segregation of projects for reporting purposes. Designated internal sources for these projects could be either from HAWSP or Depreciation Reserves.

**City of Homer
2011 Operating Budget**

COMBINED REVENUES AND EXPENSES

UTILITY FUND

Adopted Budget

	Fund 200 Water & Sewer Special Revenue Fund	Fund 205 HAWSP (Homer Accelerated Water/Sewer Projects	Fund 256 Water & Sewer Depreciation Reserve	Fund 215 Water & Sewer Projects	Total Utility Fund
Revenue					
Total Operating Revenue	\$ 3,419,043	\$ -	\$ -	\$ -	\$ 3,419,043
Operating Expenses before Depreciation:					
Personnel	1,598,078	-	-	-	1,598,078
Operations & Maintenance	914,227	-	-	-	914,227
Debt Service	-	1,181,694	-	-	1,181,694
Other Charges	479,980	252,352	85,000	-	817,332
Total Operating Expenses	2,992,285	1,434,046	85,000	-	\$ 4,511,332
Earnings from Operations	426,757	(1,434,046)	(85,000)	-	\$ (1,092,289)
Total Non - Operating Revenue	31,000	1,089,963	500,000		1,589,963
Earnings before transfers	\$ 457,757	\$ (344,083)	\$ 415,000	\$ -	\$ 497,674
Reserves (Fund 256)	500,000	-	-	-	500,000
Leave Cash Out Bank	36,623	-	-	-	36,623
Change in Net Assets	(78,866)	(344,083)	415,000	-	(7,949)
Beginning Net Assets	\$ 14,377,620	\$ (15,718,947)	\$ 4,097,949	(703,275)	\$ 2,053,347
Ending Net Assets	\$ 14,298,754	\$ (16,063,030)	\$ 4,512,949	\$ (703,275)	\$ 2,045,398

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A) This data is provided for information only, details can be found in the "Projects" tab of the budget, as well as the last couple of pages of this section.

City of Homer
2011 Operating Budget

	SALARIES AND BENEFITS			MAINTENANCE AND OPERATIONS			Capital Outlay		
	FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)	FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)	FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)
Water Utility									
400 Administration	\$ 190,358	\$ 194,524	\$ 4,166	\$ 92,565	\$ 112,583	\$ 20,018	\$ 262,785	\$ 266,211	\$ 3,426
401 Treatment Plant	180,576	180,098	(478)	126,884	144,500	17,616	-	-	-
402 Treatment Plant Testing	28,888	28,611	(277)	18,800	26,800	8,000	-	-	-
403 Pump Station	37,411	32,925	(4,486)	69,245	61,200	(8,045)	-	-	-
404 Distributions System	229,233	216,909	(12,324)	71,092	67,500	(3,592)	-	-	-
405 Reservoir	47,542	47,406	(136)	19,800	12,800	(7,000)	-	-	-
406 Meters	90,643	90,113	(530)	13,950	13,450	(500)	-	-	-
407 Hydrants	90,700	77,690	(13,010)	8,800	8,000	(800)	-	-	-
Total Water System	\$ 895,351	\$ 868,276	\$ (27,075)	\$ 421,136	\$ 446,833	\$ 25,697	\$ 262,785	\$ 266,211	\$ 3,426
Sewer Utility									
500 Administration	\$ 182,552	\$ 186,566	\$ 4,014	\$ 97,413	\$ 95,995	\$ (1,418)	\$ 268,064	\$ 270,412	\$ 2,348
501 Plant Operation	234,562	233,372	(1,190)	289,254	293,600	4,346	-	-	-
502 Sewer Testing	56,961	57,018	57	6,600	7,600	1,000	-	-	-
503 Pump/Lift Stations	140,704	132,467	(8,237)	37,623	35,000	(2,623)	-	-	-
Total Sewer System	\$ 763,144	\$ 729,802	\$ (33,342)	\$ 441,520	\$ 467,395	\$ 25,875	\$ 268,064	\$ 270,412	\$ 2,348
Total Utility Fund	1,658,495	1,598,078	(60,417)	862,656	914,227	51,572	530,849	536,623	5,774

City of Homer
2011 Operating Budget

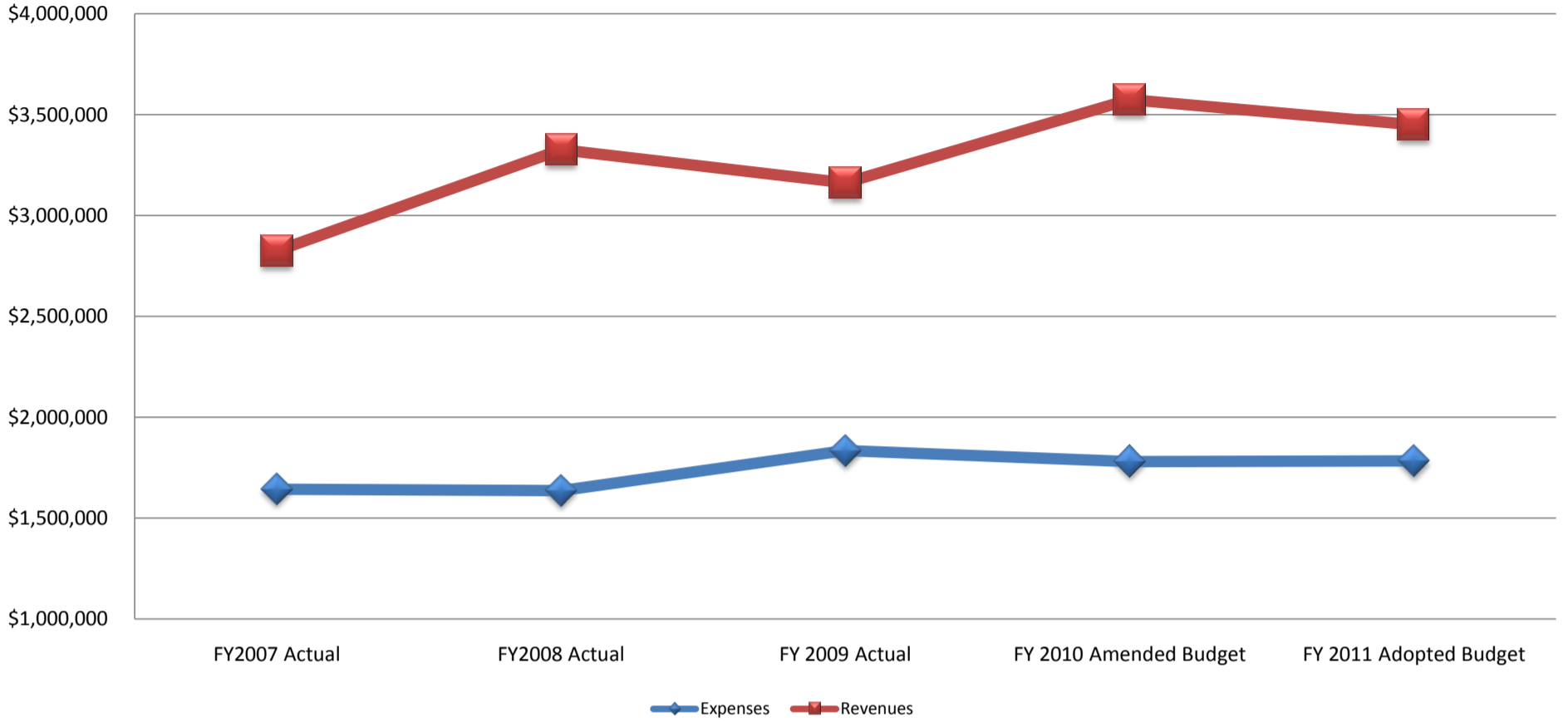
DEBT SERVICES			G/F ADMINISTRATIVE FEES			BUDGET			
FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)	FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)	FY2010 Amended Budget	FY 2011 Adopted Budget	Increase (Decrease)	
\$ 11,566	\$ -	\$ (11,566)	195,392	200,968	\$ 5,576	\$752,666	\$774,286	21,620	Water Utility
-	-	-	-	-	-	307,460	324,598	17,138	400 Administration
-	-	-	-	-	-	47,688	55,411	7,723	401 Treatment Plant
-	-	-	-	-	-	106,656	94,125	(12,531)	402 Treatment Plant Testing
-	-	-	-	-	-	300,325	284,409	(15,916)	403 Pump Station
-	-	-	-	-	-	67,342	60,206	(7,136)	404 Distributions System
-	-	-	-	-	-	104,593	103,563	(1,030)	405 Reservoir
-	-	-	-	-	-	99,500	85,690	(13,810)	406 Meters
									407 Hydrants
\$ 11,566	\$ -	\$ (11,566)	\$195,392	200,968	5,576	\$1,786,230	\$1,782,287	(\$3,943)	Total Water Utility
\$ 11,566	\$ -	\$ (11,566)	\$281,469	279,013	(2,456)	\$841,064	\$831,985	(9,079)	Sewer Utility
-	-	-	-	-	-	523,816	526,972	3,157	500 Administration
-	-	-	-	-	-	63,561	64,618	1,057	501 Plant Operation
-	-	-	-	-	-	178,327	167,467	(10,861)	502 Sewer Testing
									503 Pump/Lift Stations
\$ 11,566	\$ -	\$ (11,566)	\$281,469	279,013	(2,456)	\$1,765,763	\$1,746,621	(\$19,142)	Total Sewer Utility
23,132	-	(23,132)	476,861	479,980	3,119	3,551,993	3,528,908	(23,084)	Total Utility Special Revenue Fu

City of Homer
2011 Operating Budget

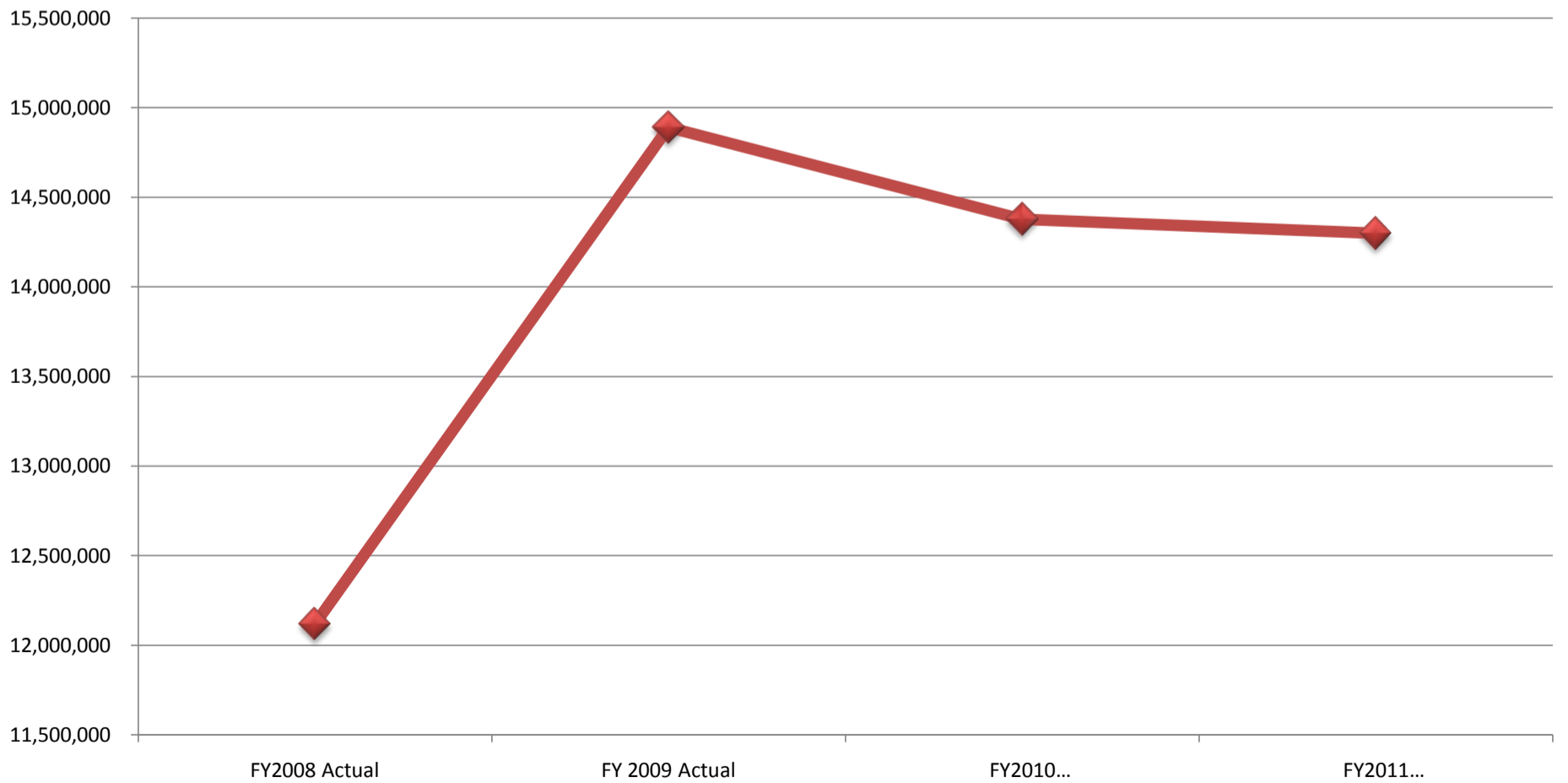
FUND: 200 WATER AND SEWER SPECIAL REVENUE FUND						
FUND BUDGET:						
	FY2008 Actual	FY 2009 Actual	FY2010 Budget	FY2011 Budget	FY2012 Projection	FY2013 Projection
Revenue						
Water Revenue	\$ 1,475,565	\$ 1,551,497	\$ 1,671,940	\$ 1,547,482	\$ 1,578,432	\$ 1,610,000
Sewer Revenue	1,457,354	1,478,825	1,871,561	1,871,561	1,908,992	1,947,172
Total Operating Revenue:	\$ 2,932,919	\$ 3,277,986	\$ 3,543,501	\$ 3,419,043	\$ 3,343,546	\$ 3,614,371
Operating Expenses before Depreciation :						
Personnel	\$ 1,817,854	\$ 1,846,907	\$ 1,636,709	\$ 1,598,078	\$ 1,630,039	\$ 1,662,640
Operations & Maintenance	849,247	1,091,714	862,656	914,227	932,512	951,162
Debt Service	882	3,038	23,132	-	-	-
Other Charges (Administrative Cost)	497,694	467,317	476,861	479,980	489,580	499,371
Total Operating Expenses	\$ 3,165,677	\$ 3,408,975	\$ 2,999,358	\$ 2,992,285	\$ 3,052,131	\$ 3,113,174
Operating Income before Depreciation:	(232,758)	(130,989)	544,143	426,757	291,415	501,197
Depreciation Expense	2,069,133	2,225,964	1,744,755	-	-	-
Earnings from Operations	\$ (2,301,891)	\$ (2,356,953)	\$ (1,200,612)	\$ 426,757	\$ 291,415	\$ 501,197
Total Non - Operating Revenue	394,364	132,265	31,000	31,000	31,620	31,620
Capital Contributions	1,249,118	1,251,292	1,188,015	-	-	-
Reserves	100,000	100,000	500,000	500,000	500,000	500
Leave Cash Out Bank	54,837	37,439	30,849	36,623	38,454	40,377
Change in Net Assets	(813,246)	(1,110,835)	(512,446)	(78,866)	(215,419)	491,940
Beginning Net Assets	8,932,154	12,117,229	14,890,066	14,377,620	14,298,754	14,083,335
Fixed asset adj for contributed Assets	3,998,321	3,883,672	-	-	-	-
Ending Net Assets	12,117,229	14,890,066	14,377,620	14,298,754	14,083,335	14,575,275

During the 2011 Budget process, Council approved Resolution 10-91 and Memorandum 10-131, changing the Water/Sewer Enterprise Fund to operate as a "Special Revenue Fund".

**CITY OF HOMER
UTILITY FUND
REVENUES AND EXPENSES**



**CITY OF HOMER
UTILITY FUND
AVAILABLE FUND BALANCE**



**City of Homer
2011 Operating Budget**

Fund 200

400 Water & 500 Sewer Fund Revenues

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted
Water Revenue					
Operating Revenue:					
4616 Metered Sales Residential	\$ 438,428	\$ 455,712	\$ 555,884	\$ 455,712	
4617 Metered Sales Commercial	982,847	1,035,770	1,080,056	1,035,770	
4618 Metered Sales Industrial	18,442	23,503	-	20,000	
4661 Connection Fees	17,120	15,600	17,000	17,000	
4662 Services & Meters	18,729	20,912	19,000	19,000	
Total Operating Revenue	1,475,565	1,551,497	1,671,940	1,547,482	(124,458) -7.44%
Non- Operating Revenue					
4801 Interest on Investments	44,791	23,846	25,000	25,000	
4802 Penalty & Interest (Utilities)	5,676	9,069	6,000	6,000	
4527 PERS Revenue	94,230	93,758	-	-	
4902 Other Revenue	249,667	5,592	-	-	
-Operating Revenue	394,364	132,265	31,000	31,000	- 0.00%
Total Water Revenue	\$ 1,869,929	\$ 1,683,762	\$ 1,702,940	\$ 1,578,482	(124,458) -7.31%
Operating Revenue					
4616 Metered Sales	537,430	589,008	711,237	711,237	
4617 Meter Sales Commercial	884,075	846,763	1,144,323	1,144,323	
4618 Meter sales Industrial	20,954	26,030	-	-	
4619 Inspection Fees	-	-	-	-	
4662 Services & Meters	12,055	13,770	13,000	13,000	
4701 RV Dump Station	2,840	3,253	3,000	3,000	
Total Operating Revenue	1,457,354	1,478,825	1,871,561	1,871,561	- 0.00%
NON-OPERATING REVENUE:					
4801 Interest on Investments	-	-	-	-	
Total Non-Operating Revenue	-	-	-	-	
Total Sewer Revenue	\$ 1,457,354	\$ 1,478,825	\$ 1,871,561	\$ 1,871,561	- 0.00%
Operating Transfers					
Total Operating Revenue	\$ 2,932,919	\$ 3,030,321	\$ 3,543,501	\$ 3,419,043	
Total Non-Operating Revenue	\$ 394,364	\$ 132,265	\$ 31,000	\$ 31,000	
Total Water & Sewer Revenue	\$ 3,327,283	\$ 3,162,586	\$ 3,574,501	\$ 3,450,043	(124,458) -3.48%

City of Homer
2011 Operating Budget

EXPENDITURE SUMMARY BY LINE ITEM

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
Salaries and Benefits						
5101 Permanent Employees	537,268	528,422	508,226	517,702	9,476	1.86%
5102 Fringe Benefits	399,529	413,459	349,786	318,601	(31,185)	-8.92%
5103 Part Time Employees	2,106	8,299	4,909	4,909	0	0.00%
5104 P/T Fringe Benefits	-	857	663	663	-	0.00%
5105 Overtime	26,328	36,760	26,000	26,400	400	1.54%
5107 Part Time Overtime	-	30	-	-	-	0.00%
Total Salaries and Benefits	965,231	987,827	889,584	868,276	\$ (21,308)	-2.40%
Maintenance and Operations						
5201 Office Supplies	732	242	1,350	1,200	(150)	-11.11%
5202 Operating Supplies	67,707	95,369	41,250	41,200	(50)	-0.12%
5203 Fuel/Lube	25,019	25,746	35,879	35,000	(879)	-2.45%
5204 Chemicals	26,094	44,398	29,000	32,000	3,000	10.34%
5207 Vehicle/Boat Maintenance	-	-	1,200	1,200	-	0.00%
5208 Equipment Maintenance	30,401	35,014	43,200	42,500	(700)	-1.62%
5209 Building & Grounds Maintenance	2,343	101,675	12,750	12,500	(250)	-1.96%
5210 Earnings before transfers	29,915	23,422	37,100	28,600	(8,500)	-22.91%
5211 Accounting/Auditing	9,059	6,715	8,365	9,342	977	11.68%
5213 Survey/Appraisal	750	-	1,200	1,200	-	0.00%
5214 Rents & Leases	-	-	2,000	2,000	-	0.00%
5215 Communications	6,017	4,119	4,500	4,200	(300)	-6.67%
5216 Postage/Freight	2,200	1,684	1,800	1,500	(300)	-16.67%
5217 Electricity	108,417	143,794	121,442	127,000	5,558	4.58%
5220 Refuse/Disposal	-	270	-	-	-	0.00%
5221 Property Insurance	11,567	11,108	11,583	15,349	3,766	32.51%
5222 Auto Insurance	12,299	14,086	12,672	11,140	(1,532)	-12.09%
5223 Liability Insurance	19,145	21,695	24,320	17,602	(6,718)	-27.62%
5226 Testing/Analysis	12,480	14,444	8,000	16,000	8,000	100.00%
5227 Advertising	-	-	700	700	-	0.00%
5231 Tools/Equipment	6,845	6,985	10,200	9,200	(1,000)	-9.80%
5233 Computer Related Items	-	-	-	1,000	1,000	0.00%
5234 Recording/Permit Fees	-	235	1,000	1,000	-	0.00%
5235 Memberships/Dues	276	724	1,375	1,000	(375)	-27.27%
5252 Credit Card Expense	19,761	23,043	-	24,000	24,000	0.00%
5602 Safety Equipment	2,120	2,426	2,000	2,000	-	0.00%
5603 Employee Training	8,766	5,123	8,250	8,400	150	1.82%
5606 Bad Debt Expense	(5,907)	12,164	-	-	-	0.00%
Total Maintenance & Operations	396,003	594,480	421,136	446,833	25,697	6.10%
Capital Outlay, Transfers and Reserves						
5990 Transfers To Reserves	50,000	50,000	250,000	250,000	-	0.00%
Leave Cash Out Bank Transfer	14,893	15,901	12,785	16,211	3,426	26.80%
Total Capital Outlay, Transfers & Reserves	64,893	65,901	262,785	266,211	3,426	1.30%
5607 Debt Payment	-	-	11,324	-	(11,324)	-100.00%
5608 Interest Expense	653	1,673	242	-	(242)	-100.00%
Total Debt Service	653	1,673	11,566	-	(11,566)	-100.00%
5241 G/F Admin Services	208,205	183,822	195,392	200,968	5,576	2.85%
Total Other Charges	208,205	183,822	195,392	200,968	5,576	2.85%
TOTAL	\$ 1,634,986	\$ 1,833,703	\$ 1,780,463	\$ 1,782,287	1,824	0.10%

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - ADMINISTRATION

Provide professional, technical, supervisory and administrative resources necessary to support the operation and maintenance of the City's water system. This includes the water source, treatment plant, storage tanks, pressure reducing stations, booster pumps, transmission and distribution pipelines.

Maintain the system to provide for reliable fire suppression, commercial, industrial, bulk water usage, and complete all testing required to ensure the drinking water for City residents meet or exceed all state and federal requirements.

Expenditures reflect costs for producing the EPA mandated water quality report annually.

**City of Homer
2011 Operating Budget**

**FUND 200
400 - WATER FUND ADMINISTRATION**

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>						
5101 Regular Employees	\$ 146,571	\$ 128,604	\$ 115,073	\$ 122,180	7,107	6.18%
5102 Fringe Benefits	141,008	133,287	74,285	71,345	(2,940)	-3.96%
5103 P/T Employees	-	1,457	-	-	-	0.00%
5105 Overtime	1,318	-	1,000	1,000	-	0.00%
<u>Total Salaries and Benefits</u>	288,897	263,347	190,358	194,524	\$ 4,166	2.19%
<u>Maintenance and Operations</u>						
5201 Office Supplies	732	242	1,350	1,200	(150)	-11.11%
5202 Operating Supplies	295	787	900	900	-	0.00%
5203 Food/Staples	-	1,511	-	-	-	0.00%
5208 Equipment Maintenance	2,416	-	1,200	1,000	(200)	-16.67%
5210 Professional & Special Services	14,387	7,668	13,500	13,500	-	0.00%
5211 Accounting/Audit	9,059	6,715	8,365	9,342	977	11.68%
5215 Communications	6,017	4,119	4,500	4,200	(300)	-6.67%
5216 Postage/Freight	2,200	1,684	1,800	1,500	(300)	-16.67%
5221 Property Insurance	11,567	11,108	11,583	15,349	3,766	32.51%
5222 Auto Insurance	12,299	14,086	12,672	11,140	(1,532)	-12.09%
5223 Liability Insurance	19,145	21,695	24,320	17,602	(6,718)	-27.62%
5227 Advertising	-	-	700	700	-	0.00%
5231 Tools/Equipment	50	803	1,350	1,200	(150)	-11.11%
5233 Computers and Related Items	-	-	-	1,000	1,000	0.00%
5234 Recording/Permit Fees	-	235	1,000	1,000	-	0.00%
5235 Memberships/Dues	276	724	1,375	1,000	(375)	-27.27%
5252 Credit Card Service Fees	19,761	23,043	-	24,000	24,000	100.00%
5602 Safety Equipment	581	427	750	750	-	0.00%
5603 Employee Training	8,163	3,346	7,200	7,200	-	0.00%
5606 Bad Debt Expense	(5,907)	12,164	-	-	-	0.00%
<u>Total Maintenance and Operations</u>	101,041	110,356	92,565	112,583	20,018	21.63%
<u>Capital Outlay, Transfers and Reserves</u>						
5106 Leave Cash Out Bank	14,893	15,901	12,785	16,211	3,426	26.80%
5990 Transfers to Reserves	50,000	50,000	250,000	250,000	-	0.00%
<u>Total Capital Outlay, Transfers & Reserves</u>	64,893	65,901	262,785	266,211	3,426	1.30%
<u>Debt Payment</u>						
5607 Debt Payment	-	-	11,324	-	(11,324)	-100.00%
5608 Debt Payment Interest	653	1,673	242	-	(242)	-100.00%
<u>Total Debt Payment</u>	653	1,673	11,566	-	(11,566)	-100.00%
5241 <u>G/F Administrative Services</u>	208,205	183,822	195,392	200,968	5,576	2.85%
Total	\$ 663,690	\$ 625,099	\$ 752,666	\$ 774,286	\$ 21,620	2.87%
Staffing History	2.86	2.15	1.85	1.85		

LINE - ITEM EXPLANATIONS:

*Account Number Explanations: See "Appendix" Tab
Capital Outlay: See "Projects" Tab*

Dept	Reserve	2011 Beginning Balance	Transfer In	Budgeted Expenditure	2011 Ending Balance
378	Depreciation Reserve	2,100,208	250,000		2,350,208
	Leave Bank	-	16,211	16,211	

**City of Homer
2011 Operating Budget**

NARRATIVE

WATER FUND - WATER TREATMENT PLANT OPERATIONS

Provide for the operation and maintenance of the water treatment plant. The plant is rated at 2 million gallons per day, utilizing mostly automated controls.

Treatment requires the use of chemicals including chlorine, alum caustic soda, soda ash and a corrosion inhibitor. Fluctuating water source quality demands the constant attention of plant operators.

FUND 200

401 - WATER TREATMENT PLANT

		FY2008	FY 2009	FY 2010	FY 2011	Difference	
		Actual	Actual	Amended Budget	Adopted Budget	Between 2010 Amended & 2011	
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 96,437	\$ 93,026	\$ 95,717	\$ 99,173	3,456	3.61%
5102	Fringe Benefits	59,597	72,628	68,484	64,550	(3,934)	-5.74%
5103	P/T Employees	2,106	5,987	4,295	4,295	0	0.01%
5104	Fringe Benefits P/T	-	753	580	580	(0)	-0.02%
5105	Overtime	15,030	21,234	11,500	11,500	-	0.00%
5107	P/T Overtime	-	27	-	-	-	0.00%
<u>Total Salaries and Benefits</u>		173,169	193,655	180,576	180,098	\$ (478)	-0.26%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	8,697	14,455	6,000	6,000	-	0.00%
5203	Fuel/Lube	25,019	24,234	34,879	34,000	(879)	-2.52%
5204	Chemicals	26,094	44,398	29,000	32,000	3,000	10.34%
5207	Vehicle/Boat Maintenance	-	-	1,200	1,200	-	0.00%
5208	Equipment Maintenance	8,648	15,124	21,000	21,000	-	0.00%
5209	Building & Grounds Maintenance	665	4,756	4,000	4,000	-	0.00%
5210	Professional & Special Services	4,284	1,036	3,800	3,800	-	0.00%
5214	Rents & Leases Expense	-	-	2,000	2,000	-	0.00%
5217	Electricity	24,118	46,085	24,505	40,000	15,495	63.23%
5226	Testing/Analysis	-	504	-	-	-	0.00%
5602	Safety Equipment	551	888	500	500	-	0.00%
<u>Total Maintenance and Operations</u>		98,076	151,481	126,884	144,500	17,616	13.88%
Total		\$ 271,245	\$ 345,135	\$ 307,460	\$ 324,598	17,138	5.57%
Staffing History		2.05	2.00	1.94	1.94		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - WATER TREATMENT PLANT TESTING

All water testing is completed by certified personnel per ADEC and EPA requirements. This testing assures water system users that the water meets the state and federal drinking water standards. Testing equipment maintenance, special services calibration of testing equipment and testing/analysis costs in support of the water system are reflected here.

FUND 200

402 - WATER TREATMENT PLANT TESTING

		FY2008	FY 2009	FY 2010	FY 2011	Difference	
		Actual	Actual	Amended	Adopted	Between 2010	
				Budget	Budget	Amended & 2011	Adopted
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 21,124	\$ 20,585	\$ 16,838	\$ 17,283	445	2.64%
5102	Fringe Benefits	12,122	12,656	11,550	10,828	(722)	-6.25%
5105	Overtime	163	267	500	500	-	0.00%
<u>Total Salaries and Benefits</u>		33,408	33,509	28,888	28,611	(277)	-0.96%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	3,676	5,564	4,600	4,600	-	0.00%
5208	Equipment Maintenance	5,132	4,255	4,000	4,000	-	0.00%
5210	Professional & Special Services	-	-	2,200	2,200	-	0.00%
5220	Refuse/Disposal	-	270	-	-	-	0.00%
5226	Testing/Analysis	12,480	13,940	8,000	16,000	8,000	100.00%
<u>Total Maintenance and Operations</u>		21,288	24,029	18,800	26,800	8,000	42.55%
Total		\$ 54,696	\$ 57,538	\$ 47,688	\$ 55,411	7,723	16.19%
Staffing History		0.30	0.30	0.30	0.30		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - PUMP STATIONS

Provide for operation and maintenance of the two pumping stations on the water system, the raw water pump station at the Bridge Creek Reservoir and the Spit fire pump station. Fuel for the raw water pump back-up generator and the diesel fired fire pump as well as associated supplies are reflected here.

FUND 200

403 - WATER PUMP STATION

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>						
5101 Regular Employees	\$ 15,567	\$ 19,136	\$ 21,331	\$ 20,005	(1,326)	-6.21%
5102 Fringe Benefits	12,070	14,261	14,983	11,823	(3,160)	-21.09%
5103 P/T Employees		855	614	614	(0)	-0.06%
5104 Fringe Benefits P/T		104	83	83	(0)	-0.19%
5105 Overtime	265	633	400	400	-	0.00%
5107 P/T Overtime		4	-	-	-	0.00%
<u>Total Salaries and Benefits</u>	27,901	34,993	37,411	32,925	(4,486)	-11.99%
<u>Maintenance and Operations</u>						
5202 Operating Supplies	1,271	-	2,200	2,200	-	0.00%
5203 Fuel/Lube	-	-	1,000	1,000	-	0.00%
5208 Equipment Maintenance	6,397	10,234	7,000	7,000	-	0.00%
5209 Building & Grounds Maintenance	350	95,661	5,000	5,000	-	0.00%
5217 Electricity	42,135	53,931	53,045	45,000	(8,045)	-15.17%
5231 Tools/Equipment	-	-	1,000	1,000	-	0.00%
<u>Total Maintenance and Operations</u>	50,152	159,826	69,245	61,200	(8,045)	-11.62%
Total	\$ 78,053	\$ 194,819	\$ 106,656	\$ 94,125	(12,531)	-11.75%
Staffing History	0.40	0.40	0.42	0.42		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - DISTRIBUTION SYSTEM

Operates and maintains the water distribution system. The activities include annual hydrant flushing, bi-annual topography of the City requires the water distribution system wide flushing of all water mains, thawing be separated into six pressure zones. This account reflects the repair of mains and services, exercising 476 cost of maintaining 14 pressure-reducing stations, air release valves, testing of cross-connection control devices valves, over 36 miles of distribution mains, over 1,100 water and monitoring of flows and pressures. All water services and 263 fire hydrants. Distribution maintenance personnel are certified.

FUND 200

404 - WATER DISTRIBUTION SYSTEMS

		FY2008	FY 2009	FY 2010	FY 2011	Difference Between	
		Actual	Actual	Amended Budget	Adopted Budget	2010 Amended &	2011 Adopted
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 131,804	\$ 134,468	\$ 129,470	\$ 128,339	(1,131)	-0.87%
5102	Fringe Benefits	90,322	91,141	89,763	78,571	(11,192)	-12.47%
5105	Overtime	8,272	13,042	10,000	10,000	-	0.00%
<u>Total Salaries and Benefits</u>		230,399	238,652	229,233	216,909	(12,324)	-5.38%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	14,619	17,377	9,450	9,000	(450)	-4.76%
5208	Equipment Maintenance	4,715	1,731	7,000	6,500	(500)	-7.14%
5209	Building & Grounds Maintenance	153	1,222	1,750	1,500	(250)	-14.29%
5210	Professional & Special Services	11,244	10,278	2,500	2,500	-	0.00%
5217	Electricity	42,164	43,778	43,892	42,000	(1,892)	-4.31%
5231	Tools/Equipment	4,434	4,789	6,500	6,000	(500)	-7.69%
<u>Total Maintenance and Operatio</u>		77,329	79,176	71,092	67,500	(3,592)	-5.05%
Total		\$ 307,728	\$ 317,827	\$ 300,325	\$ 284,409	(15,916)	-5.30%
Staffing History		1.90	2.25	2.30	2.30		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - WATER RESERVOIR

Provide adequate funding to operate and maintain the Bridge Creek Reservoir. This includes the reservoir proper, the dam, the inlet and outlet facilities and telemetry components. Special services include safety inspections, diver contracts, watershed and land surveys and permit fees. DNR requires that we keep the bush and vegetation cleared away from the reservoir.

FUND 200

405 - WATER RESERVOIR

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>						
5101 Regular Employees	\$ 27,916	\$ 29,916	\$ 27,872	\$ 28,803	931	3.34%
5102 Fringe Benefits	17,268	19,255	19,170	18,103	(1,067)	-5.57%
5103 P/T Employees	-	-	-	-	-	0.00%
5104 Fringe Benefits P/T	-	-	-	-	-	0.00%
5105 Overtime	581	438	500	500	-	0.00%
<u>Total Salaries and Benefits</u>	45,765	49,610	47,542	47,406	(136)	-0.29%
<u>Maintenance and Operations</u>						
5202 Operating Supplies	10	1,430	1,000	1,000	-	0.00%
5208 Equipment Maintenance	3,093	3,669	3,000	3,000	-	0.00%
5209 Building & Grounds Maintenance	1,175	37	2,000	2,000	-	0.00%
5210 Professional & Special Services	-	-	12,600	5,600	(7,000)	-55.56%
5213 Survey/Appraisal	750	-	1,200	1,200	-	0.00%
<u>Total Maintenance and Operations</u>	5,028	5,135	19,800	12,800	(7,000)	-35.35%
Total	\$ 50,793	\$ 54,745	\$ 67,342	\$ 60,206	(7,136)	-10.60%
Staffing History	0.60	0.50	0.50	0.50		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - WATER METERS/CROSS CONNECTION INSPECTION

Operates and maintains water meters on the distribution system – includes bulk water sales, connects/disconnects, delinquent notices, shut-off notices, relay installation, customer service support and seasonal meter sales. Coordinate testing of commercial/industrial cross connections control device.

FUND 200

406 - WATER METERS

		FY2008	FY 2009	FY 2010	FY 2011	Difference Between	
		Actual	Actual	Amended	Adopted	2010 Amended & 2011 Adopted	
				Budget	Budget		
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 48,517	\$ 50,094	\$ 51,591	\$ 53,126	1,535	2.98%
5102	Fringe Benefits	34,437	34,699	37,052	34,986	(2,066)	-5.57%
5105	Overtime	222	27	2,000	2,000	-	0.00%
<u>Total Salaries and Benefits</u>		83,175	84,820	90,643	90,113	(530)	-0.59%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	26,748	42,031	10,800	10,500	(300)	-2.78%
5231	Tools/Equipment	2,361	1,393	1,350	1,000	(350)	-25.93%
5602	Safety Equipment	988	1,111	750	750	-	0.00%
5603	Employee Training	602	1,777	1,050	1,200	150	14.29%
<u>Total Maintenance and Operations</u>		30,698	46,311	13,950	13,450	(500)	-3.58%
Total		\$ 113,874	\$ 131,131	\$ 104,593	\$ 103,563	(1,030)	-0.99%
Staffing History		0.95	0.95	1.00	1.00		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

WATER FUND - WATER HYDRANTS

Operate and maintain fire hydrants on the water distribution system at an acceptable level. Costs associated with the installation of hydrants under the hydrant replacement program are reflected in this account.

FUND 200
407 - WATER HYDRANTS

		FY2008	FY 2009	FY 2010	FY 2011	Difference Between	
		Actual	Actual	Amended	Adopted	2010 Amended &	2011 Adopted
				Budget	Budget		
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 49,333	\$ 52,592	\$ 50,334	\$ 48,793	(1,541)	-3.06%
5102	Fringe Benefits	32,705	35,531	34,499	28,397	(6,102)	-17.69%
5105	Overtime	478	1,119	100	500	400	400.00%
<u>Total Salaries and Benefits</u>		82,516	89,242	84,933	77,690	(7,243)	-8.53%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	12,391	13,726	6,300	7,000	700	11.11%
5210	Professional & Special Services	-	4,440	2,500	1,000	(1,500)	-60.00%
<u>Total Maintenance and Operations</u>		12,391	18,166	8,800	8,000	(800)	-9.09%
Total		\$ 94,907	\$ 107,408	\$ 93,733	\$ 85,690	(8,043)	-8.58%
Staffing History		0.95	0.95	0.90	0.90		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

**City of Homer
2011 Operating Budget**

FUND 200 SEWER EXPENDITURE SUMMARY BY LINE ITEM						
		FY 2008	FY 2009	FY 2010	FY 2011	Difference Between
		Actual	Actual	Amended Budget	Adopted Budget	2010 Amended & 2011 Adopted
5101	Regular Employees	\$ 476,732	\$ 460,688	\$ 429,777	\$ 438,625	8,848 2.06%
5102	Fringe Benefits	353,028	362,256	294,490	268,319	(26,171) -8.89%
5103	Part Time Employees	3,612	10,264	7,364	7,364	(0) 0.00%
5104	P/T Fringe Benefits	-	1,274	994	994	0 0.01%
5105	Overtime	19,251	24,552	14,500	14,500	- 0.00%
	Total Salaries and Benefits	852,623	859,079	747,125	729,802	(17,323) -2.32%
	Maintenance and Operations					
5201	Office Supplies	460	571	-	-	- 0.00%
5202	Operating Supplies	20,035	29,954	25,065	24,300	(765) -3.05%
5203	Fuel/Lube	39,201	33,339	45,000	45,000	- 0.00%
5204	Chemicals	55,068	34,121	24,500	25,000	500 2.04%
5208	Equipment Maintenance	34,011	22,666	30,275	29,200	(1,075) -3.55%
5209	Building & Grounds Maintenance	1,175	2,462	3,900	3,500	(400) -10.26%
5210	Professional & Special Services	28,503	43,839	21,100	41,100	20,000 94.79%
5211	Earnings before transfers	7,060	6,715	8,364	9,341	977 11.68%
5214	Rents & Leases	1,063	250	1,500	1,500	- 0.00%
5216	Postage/Freight	2,146	1,645	4,940	2,500	(2,440) -49.39%
5217	Electricity	174,610	210,521	190,542	189,700	(842) -0.44%
5218	Water	11,092	16,541	11,104	15,000	3,896 35.09%
5219	Sewer	906	796	931	900	(31) -3.36%
5221	Property Insurance	18,464	17,279	17,661	9,314	(8,347) -47.26%
5222	Auto Insurance	12,299	12,585	12,672	11,140	(1,532) -12.09%
5223	Liability Insurance	18,740	23,174	24,516	15,149	(9,367) -38.21%
5226	Testing/Analysis	1,810	3,974	3,000	4,000	1,000 33.33%
5227	Advertising	-	338	500	500	- 0.00%
5231	Tools/Equipment	2,421	3,290	4,500	4,500	- 0.00%
5235	Memberships/Dues	90	50	1,500	1,500	- 0.00%
5252	Credit Card Expense	18,726	23,043	-	24,000	24,000 100.00%
5601	Clothing/Uniforms	93	-	250	250	- 0.00%
5602	Safety Equipment	1,341	1,895	1,500	1,500	- 0.00%
5603	Employee Training	4,906	1,143	2,700	4,000	1,300 48.15%
5606	Bad Debt Expense	(4,300)	6,756	-	-	- 0.00%
	Total Operations & Maintenance	453,244	497,234	441,520	467,395	25,875 5.86%
	Capital Outlay, Transfers and Reserves					
5990	Transfer to Reserves	50,000	50,000	250,000	250,000	- 0.00%
5106	Leave Cash Out Bank Transfer	39,944	21,538	18,064	20,412	2,348 13.00%
	Total Capital Outlay, Transfers and Reserves	89,944	71,538	268,064	270,412	2,348 0.88%
5607	Debt Payment	-	-	11,324	-	(11,324) -100.00%
5608	Interest Expense	229	1,365	242	-	(242) -100.00%
	Total Debt Service	229	1,365	11,566	-	(11,566) -100.00%
5241	G/F Admin Services	289,489	283,494	281,469	279,013	(2,456) -0.87%
	Total Other Charges	289,489	283,494	281,469	279,013	(2,456) -0.87%
	Totals	\$ 1,685,529	\$ 1,712,711	\$ 1,749,744	\$ 1,746,621	(3,123) -0.18%

**City of Homer
2011 Operating Budget**

SEWER FUND - ADMINISTRATION

Provides the professional, technical, supervisory and administrative resources necessary to support the operation and maintenance of the City's sanitary sewer system. This includes the sewer collection facilities and treatment plant.

The system serves an increasing number of Homer and Kachemak City residents utilizing, to the extent possible, economical gravity sewer mains; but force mains and lift stations are required due to the topography of the service area.

**City of Homer
2011 Operating Budget**

**FUND 200
500 - SEWER ADMINISTRATION**

		FY2008	FY 2009	FY 2010	FY 2011	Difference	
		Actual	Actual	Amended Budget	Adopted Budget	Between 2010	Amended & 2011
Salaries and Benefits							
5101	Regular Employees	\$ 155,209	\$ 128,992	\$ 110,692	\$ 117,473	6,781	6.13%
5102	Fringe Benefits	134,897	130,448	70,860	68,092	(2,768)	-3.91%
5105	Overtime	1,038	1,402	1,000	1,000	-	0.00%
Total Salaries and Benefits		291,144	260,841	182,552	186,566	4,014	2.20%
Maintenance and Operations							
5201	Office Supplies	460	571	-	-	-	0.00%
5202	Operating Supplies	30	263	810	800	(10)	-1.23%
5208	Equipment Maintenance	715	-	-	-	-	0.00%
5210	Professional & Special Services	6,970	2,658	15,000	10,000	(5,000)	-33.33%
5211	Accounting/Auditing	7,060	6,715	8,364	9,341	977	11.68%
5215	Communications	3,325	286	5,500	4,500	(1,000)	-18.18%
5216	Postage/Freight	2,146	1,645	4,940	2,500	(2,440)	-49.39%
5221	Property Insurance	18,464	17,279	17,661	9,314	(8,347)	-47.26%
5222	Auto Insurance	12,299	12,585	12,672	11,140	(1,532)	-12.09%
5223	Liability Insurance	18,740	23,174	24,516	15,149	(9,367)	-38.21%
5227	Advertising	-	338	500	500	-	0.00%
5231	Tools/Equipment	395	23	1,500	1,500	-	0.00%
5235	Memberships/Dues	90	50	1,500	1,500	-	0.00%
5252	Credit Card Services	18,726	23,043	-	24,000	24,000	0.00%
5601	Uniform/Clothing Allowance	93	-	250	250	-	0.00%
5602	Safety Equipment	1,341	1,871	1,500	1,500	-	0.00%
5603	Employee Training	4,906	1,143	2,700	4,000	1,300	48.15%
5606	Bad Debt Expense	(4,300)	6,756	-	-	-	0.00%
Total Maintenance and Operation		91,460	98,400	97,413	95,995	(1,418)	-1.46%
Capital Outlay, Transfers and Reserves							
5106	Leave Cash Out	39,944	21,538	18,064	20,412	2,348	13.00%
5990	Transfer to Reserves	50,000	50,000	250,000	250,000	-	0.00%
Total Capital Outlay, Transfers & Reserve		89,944	71,538	268,064	270,412	2,348	0.88%
Debt Payment							
5607	Debt Payment	-	21,714	11,324	-	(11,324)	-100.00%
5608	Debt Payment Interest	229	1,365	242	-	(242)	-100.00%
Total Debt Payment		229	23,079	11,566	-	(11,566)	-100.00%
5241	G/F Administration Services	289,489	283,494	281,469	279,013	(2,456)	-0.87%
Total		\$ 762,265	\$ 737,352	\$ 841,064	\$ 831,985	\$(9,079)	-1.08%

Staffing History

3.19 2.05 1.75 1.75

Account Number Explanations: See "Appendix" Tab

Capital Outlay: See "Projects" Tab

Dept	Reserve	2011 Beg Balance	Transfer In	Budgeted Expenditur	2011 Ending Balance
378	Depreciation Reserve	1,997,741	250,000	85,000	2,162,741
	Leave Cash Out Bank	-	20,412	20,412	-

**City of Homer
2011 Operating Budget**

NARRATIVE

SEWER FUND - SEWER PLANT OPERATION

The sewer treatment plant is automated to the extent possible, however, the treatment processes require continuous monitoring. The treatment process consists of screening and solids removal (primary treatment); lagoon discharge, and ultra-violet disinfectant.

All treatment plant operators are state certified and costs associated with training and certifications are reflected here.

FUND 200

501 - SEWER PLANT OPERATIONS

		FY2008	FY 2009	FY 2010	FY 2011	Difference	
		Actual	Actual	Amended Budget	Adopted Budget	Between 2010	Amended &
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 120,489	\$ 133,279	\$124,927	\$ 129,154	4,227	3.38%
5102	Fringe Benefits	89,871	91,356	90,677	85,261	(5,416)	-5.97%
5103	P/T Employees	2,106	10,264	7,364	7,364	(0)	0.00%
5104	Fringe Benefits P/T	-	1,274	994	994	0	0.01%
5105	Overtime	16,008	16,296	10,600	10,600	-	0.00%
5107	P/T Overtime	-	46	-	-	-	0.00%
<u>Total Salaries and Benefits</u>		228,474	252,514	234,562	233,372	(1,190)	-0.51%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	6,441	11,272	7,500	7,500	-	0.00%
5203	Fuel/Lube	39,201	33,339	45,000	45,000	-	0.00%
5204	Chemicals	55,068	34,121	24,500	25,000	500	2.04%
5208	Equipment Maintenance	27,746	18,419	21,000	21,000	-	0.00%
5209	Building & Grounds Maintenance	827	1,183	1,500	1,500	-	0.00%
5210	Professional & Special Services	2,703	2,488	3,000	3,000	-	0.00%
5214	Rents & Leases Expense	1,063	-	1,500	1,500	-	0.00%
5217	Electricity	153,316	179,202	173,218	173,200	(18)	-0.01%
5218	Water	11,092	16,541	11,104	15,000	3,896	35.09%
5219	Sewer	906	796	931	900	(31)	-3.36%
5231	Tools/Equipment	120	-	-	-	-	0.00%
5602	Safety Equipment	-	25	-	-	-	0.00%
<u>Total Maintenance and Operations</u>		298,482	297,387	289,254	293,600	4,346	1.50%
Total		\$ 526,957	\$ 549,901	\$523,816	\$ 526,972	3,157	0.60%
Staffing History		2.55	2.50	2.69	2.69		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

SEWER FUND - SEWER SYSTEM TESTING

Costs for completing required sewer treatment processes testing at the City's treatment plant, including process compliance monitoring, sludge and bio-solids testing and quality assurance are reflected in these accounts.

All sewer plant testing is completed by certified personnel per ADEC and EPA requirements. This testing assures that sewer treatment meets state and Federal standards.

FUND 200
502 - SEWER TESTING

		FY2008	FY 2009	FY 2010	FY 2011	Difference	
		Actual	Actual	Amended Budget	Adopted Budget	Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>							
5101	Regular Employees	\$ 38,714	\$ 39,099	\$ 33,738	\$ 35,088	1,350	4.00%
5102	Fringe Benefits	23,175	24,042	23,023	21,730	(1,293)	-5.62%
5105	Overtime	742	532	200	200	-	0.00%
<u>Total Salaries and Benefits</u>		62,630	63,673	56,961	57,018	57	0.10%
<u>Maintenance and Operations</u>							
5202	Operating Supplies	3,519	5,972	3,000	3,000	-	0.00%
5210	Professional & Special Services	-	20	600	600	-	0.00%
5226	Testing/Analysis	1,810	3,974	3,000	4,000	1,000	33.33%
<u>Total Maintenance and Operation:</u>		5,330	9,967	6,600	7,600	1,000	15.15%
Total		\$ 67,960	\$ 73,639	\$ 63,561	\$ 64,618	1,057	1.64%
Staffing History		0.35	0.60	0.60	0.60		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

SEWER FUND - SEWER PUMPS/LIFT STATION

Provides for the operation and maintenance of the seven lift stations on the sewer collection system. This includes wet well wash down, routine pumping system operation monitoring and repair as necessary. The Unit has programmed replacement of older stations to minimize maintenance costs and reduce power requirements.

Flow conditions at lift stations are monitored utilizing land line telemetry whenever possible reducing the need for site visits and to allow for timely remote determination of any problems before sewer service is lost. All sewer lift station maintenance personnel are state certified.

FUND 200

503 - SEWER PUMPS/LIFT STATION

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>						
5101 Regular Employees	\$ 69,074	\$ 81,950	\$ 82,662	\$ 81,736	(926)	-1.12%
5102 Fringe Benefits	46,322	57,229	56,342	49,030	(7,312)	-12.98%
5103 P/T Employees	1,506	-	-	-	-	0.00%
5105 Overtime	-	4,385	1,700	1,700	-	0.00%
<u>Total Salaries and Benefits</u>	116,903	143,565	140,704	132,467	(8,237)	-5.85%
<u>Maintenance and Operations</u>						
5202 Operating Supplies	5,174	7,170	8,400	8,000	(400)	-4.76%
5208 Equipment Maintenance	5,402	4,246	8,000	7,000	(1,000)	-12.50%
5209 Building & Grounds Maintenance	347	1,278	2,400	2,000	(400)	-16.67%
5217 Electricity	21,294	31,319	17,323	16,500	(823)	-4.75%
5231 Tools/Equipment	236	1,644	1,500	1,500	-	0.00%
<u>Total Maintenance and Operatio</u>	32,453	45,658	37,623	35,000	(2,623)	-6.97%
Total	\$ 149,356	\$ 189,223	\$ 178,327	\$ 167,467	(10,861)	-6.09%
Staffing History	0.95	1.60	1.45	1.45		

LINE - ITEM EXPLANATIONS:

Account Number Explanations: See "Appendix" Tab

City of Homer
2011 Operating Budget

NARRATIVE

SEWER FUND - SEWER COLLECTION SYSTEM

Provides for the operation and maintenance of the sewer collection system (41 plus miles of 8" – 24" sewer main). Work includes repair of broken lines, periodic flushing to remove suspended solids, 607 manholes are inspected and grouted to minimize infiltration and flows are monitored to identify inflow.

Pressure force mains are pigged to eliminate plugging and insure reliable operation. All sewer collection system maintenance personnel are state certified. Costs associated with training and certifications are reflected in Sewer Administration.

FUND 200

504 - SEWER COLLECTION SYSTEM

	FY2008 Actual	FY 2009 Actual	FY 2010 Amended Budget	FY 2011 Adopted Budget	Difference Between 2010 Amended & 2011 Adopted	
<u>Salaries and Benefits</u>						
5101 Regular Employees	\$ 93,247	\$ 77,368	\$ 77,758	\$ 75,173	(2,585)	-3.32%
5102 Fringe Benefits	58,763	59,182	53,588	44,207	(9,381)	-17.51%
5105 Overtime	1,463	1,937	1,000	1,000	-	0.00%
<u>Total Salaries and Benefits</u>	153,473	138,487	132,346	120,380	(11,966)	-9.04%
<u>Maintenance and Operations</u>						
5202 Operating Supplies	4,871	5,278	5,355	5,000	(355)	-6.63%
5208 Equipment Maintenance	147	-	1,275	1,200	(75)	-5.88%
5210 Professional & Special Services	18,830	38,672	2,500	27,500	25,000	1000.00%
5214 Rents & Leases Expense	-	250	-	-	-	0.00%
5231 Tools/Equipment	1,670	1,622	1,500	1,500	-	0.00%
<u>Total Maintenance and Operations</u>	25,518	45,822	10,630	35,200	24,570	231.14%
Total	\$ 178,991	\$ 184,309	\$ 142,976	\$ 155,580	12,604	8.82%
Staffing History	1.40	1.55	1.40	1.40		

LINE - ITEM EXPLANATIONS:

5210 \$25,000 Increase for K'City tank pumping - due again in 2011.

Account Number Explanations: See "Appendix" Tab

**CITY OF HOMER
2011 OPERATING BUDGET**

NARRATIVE

HOMER ACCELERATED WATER / SEWER PROJECTS (HAWSP)

*This Fund collects 3/4 of 1% of Sales Tax Receipts received by the City of Homer.
New Infrastructure is completed through this fund. LID's are set up when
appropriate where the customer is charged for a portion of the cost of infrastructure
on their behalf. A loan is taken out through ACW/ADWF (Alaska Clean Water,
Alaska Drinking Water Fund through the ADEC. Low % interest loans are obtained
and the same interest rates and terms are passed onto our LID customers.*

FUND : 205 HOMER ACCELERATED WATER / SEWER PROJECTS (HAWSP)

Acct #	2008 Actual	2009 Actual	2010 Budget	2011 Budget
Beginning Fund Balance	3,234,478	(8,383,970)	(15,440,841)	(15,718,947)
Revenue				
4201 Sales Tax	1,266,790	1,072,222	1,067,940	1,044,963
4801 Investment Interest	54,140	9,726	2,746	-
Assessment Interest		60,774	61,886	45,000
Total Revenue	1,320,930	1,142,722	1,132,572	1,089,963
Earnings before transfers				
5xxx Expenditures				
Debt Payment - Interest		109,764	128,525	165,163
GF Admin Fees	414,806	377,840	256,478	252,352
Fairview Ave Water Main Ext Ord 09-36/57(a)		76,084		
To 215-814 Water Storage Tank	104,824			
To 215-816 Hillside Match	(12,733)			
To 215-827 Ocean Loop Sewer	26,252			
376 Paintbrush (Ord 06-40)	5,207			
Total Expenditures, Encumbrances & Tran	1,236,997	8,199,593	1,410,678	1,434,046
Change in Net Assets	83,933	(7,056,871)	(278,106)	(344,083)
Ending Fund Balance	3,318,411	(15,440,841)	(15,718,947)	(16,063,030)
Combin Combine Fund 205 (HAWSP, LID Assessments & Debt)	(11,702,381)			
	(8,383,970)			

This data is provided for information only, details can be found in the "Projects" tab of the budget.

**CITY OF HOMER
2011 OPERATING BUDGET**

NARRATIVE

WATER & SEWER DEPRECIATION RESERVES

This Fund is used to put resources aside for the replacement and repair of fixed assets. Two separate accounts are maintained for depreciation reserves for the Utility Fund, one for Water Infrastructure (378), and one for Sewer Infrastructure (379).

FUND: 256 DEPRECIATION RESERVES

378 - Water Depreciation Reserves		2008	2009	2010	2011
		Actual	Actual	Budget	Budget
	Beginning Balance	2,340,639	2,171,674	2,075,523	2,100,208
4992	Annual Transfer	50,000	174,115	250,000	250,000
4801	Interest Income	73,023	-	4,035	-
5990	Energy Fund	-	-	(88,975)	-
	10-23(S)	-	-	(88,975)	-
5xxx	Expenditures	(291,988)	(270,266)	(140,375)	-
	Subtotal	2,171,674	2,075,523	2,100,208	2,350,208
	Encumbered	-	-	-	-
	Ending Balance	2,171,674	2,075,523	2,100,208	2,350,208

379 - Sewer Depreciation Reserves		2008	2009	2010	2011
		Actual	Actual	Budget	Budget
	Beginning Balance	1,889,267	1,786,716	1,836,716	1,997,741
4992	Earnings before transfers	50,000	50,000	250,000	250,000
	Transfer to Proj 932, 934 - ORD 08-38	(130,000)	-	-	-
5xxx	Expenditures	(22,551)	-	-	-
5990	Trsf to Energy Fund	-	-	(88,975)	-
	10-23(S)	-	-	(88,975)	-
	Subtotal	1,786,716	1,836,716	1,997,741	2,247,741
	Encumbered	-	-	-	-
	Ending Balance	1,786,716	1,836,716	1,997,741	2,247,741

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