



# FISCAL YEAR 2006-07 BUDGET

## MISSION STATEMENT

To efficiently provide dependable drinking water delivery and wastewater collection services to Vandenberg Village residents, with a commitment to customer service.

# CAPITAL BUDGET

The capital budget expenditures are presented in the following categories:

- **Capital Replacement** – Replaces existing equipment, infrastructure, or facilities.
- **Capital Improvement** – Builds upon or improves existing equipment, infrastructure, or facilities.
- **Capital Outlay** – Purchases or constructs new equipment, infrastructure, or facilities.

The capital budget is funded by reserves.

**Vandenberg Village Community Services District  
Water and Wastewater Capital Budget  
Synopsis and Justification  
Fiscal Year 2006-2007**

**CAPITAL IMPROVEMENT PLAN**

***Chemical Tank electronic level measurement device*** **\$2,500**

This item is a carryover from fiscal year 2004-2005.

***Water Quality Improvement Project  
(Strategic Plan Item #7)*** **\$110,000**

\$30,000 of the budgeted amount is a carryover from fiscal year 2002-2003 (Planning, Design, & Construction of Water Treatment Plant). The remainder was budgeted fiscal year 2005-2006.

*Staff is recommending that this item be temporarily removed from the capital budget.*

***Water and Wastewater System Evaluation  
(Strategic Plan Item #3)*** **\$61,200**

\$21,208 of the budgeted amount is a carryover from fiscal year 2004-2005 (AutoCAD System Plat Maps). The remainder was budgeted fiscal year 2005-2006.

***16" pipe from Tank 3 to Site 1*** **\$75,000**

This item is a carryover from fiscal year 2005-2006.

***Replumb backwash line from 12" to 6"*** **\$2,100**

This item is a carryover from fiscal year 2005-2006.

***Tank 3: 16" flange, 16" gate valve*** **\$20,000**

This item is a carryover from fiscal year 2005-2006.

**Vandenberg Village Community Services District  
Water and Wastewater Capital Budget  
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***Well 3B Impeller Addition*** **\$8,000**

An additional set of impellers will increase the efficiency of the well.

***Well 3B Column and Shaft*** **\$55,000**

This is contingency planning for worse case scenario found during planned Well 3B maintenance.

***L/S #1 Wet Well Expansion  
(Strategic Plan Item #5)*** **\$30,000**

Penfield & Smith's April 2005 capacity study indicated that L/S #1 would need a larger wet well to service the additional connections proposed in the Clubhouse Estates and Ebberts developments.

***L/S #3 Impeller*** **\$2,000**

This is scheduled preventative maintenance. The impellers were last replaced in 1994.

***L/S #4 Impeller*** **\$2,000**

This is scheduled preventative maintenance. The impellers were last replaced in 1994.

**Vandenberg Village Community Services District  
Water and Wastewater Capital Budget  
Synopsis and Justification  
Fiscal Year 2006-2007**

**CAPITAL REPLACEMENT PLAN**

***Laptop Computer*** **\$2,500**

This item is a carryover from fiscal year 2004-2005.

***SCADA Operating System and Computer*** **\$131,500**  
***(Strategic Plan Item #2)***

\$1,500 of the budgeted amount is a carryover from fiscal year 2004-2005 (SCADA Computer). The remainder was budgeted fiscal year 2005-2006.

***Site 3 Generator*** **\$50,000**  
***(Strategic Plan Item #4)***

This item is a carryover from fiscal year 2005-2006.

***L/S #1 Generator*** **\$37,500**  
***(Strategic Plan Item #4)***

Replacement is appropriate in keeping with our long term strategic plan and for complying with Santa Barbara County Air Pollution Control District's emissions requirements.

**Vandenberg Village Community Services District  
Water and Wastewater Capital Budget  
Synopsis and Justification  
Fiscal Year 2006-2007**

**CAPITAL OUTLAY PLAN**

***Chemical Transfer pump*** **\$1,000**

This item is a carryover from fiscal year 2005-2006.

***Sodium Bisulfite pump*** **\$2,500**

This item is a carryover from fiscal year 2005-2006.

***SCADA Controls for B/S #4 and B/S #5*** **\$20,000**

Add controls to booster stations #4 and #5 to monitor the pressure in the upper pressure zone and compensate for the additional connections proposed in the Clubhouse Estates and Ebberts developments.

***SCADA Control for Well 1B*** **\$2,000**

Add SCADA controls to Well 1B.

***Well 3A Flow Meter*** **\$3,000**

10" flow meter with remote read.

***Pickup Truck*** **\$30,000**  
***(Strategic Plan Item #14)***

Unit #10 currently has the valve operator attached to the back of the truck. This heavy machinery creates a lot of wear and tear on the unit and makes it inefficient for the assigned Utility Service Person to drive regularly. Staff proposes purchasing a new truck as scheduled in the Strategic Plan and keeping the old truck as a valve operator vehicle.

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
BUDGET - WATER CAPITAL  
FISCAL YEAR 2006-2007**

FYE Approved	FUNDING SOURCE	AMOUNT	
<b>CAPITAL IMPROVEMENT PLAN</b>		<b>Capital Reserves</b>	
04-05	11-11160	Chemical Tank electronic level measurement device	2,500
<del>05-06 **</del>	<del>11-11160</del>	<del>Water Quality Improvement Project - Pilot Study</del>	<del>110,000</del>
05-06 **	11-11171	Water and Wastewater System Evaluation @ 50%	30,600
05-06	11-11171	16" Pipe from Tank 3 to Site 1	75,000
05-06	11-11160	Replumb backwash line from 12" to 6"	2,100
05-06	11-11171	Tank 3: 16" flange, 16" gate valve	20,000
06-07	11-11152	Well 3B Impeller Addition	8,000
06-07 *	11-11152	Well 3B Column and Shaft	55,000
<b>CAPITAL IMPROVEMENT PLAN</b>		<b>\$193,200</b>	
<b>CAPITAL REPLACEMENT PLAN</b>		<b>Capital Reserves</b>	
04-05	11-11182	Laptop Computer	2,500
05-06 **	11-11152	SCADA Operating System @ 80%	105,200
05-06 **	11-11141	Site 3 Generator	50,000
<b>CAPITAL REPLACEMENT PLAN</b>		<b>\$157,700</b>	
<b>CAPITAL OUTLAY PLAN</b>		<b>Capital Reserves</b>	
05-06	11-11160	Chemical transfer pump	1,000
05-06	11-11160	Sodium Bisulfite pump	2,500
06-07	11-11152	SCADA controls for B/S #4 and B/S #5	20,000
06-07	11-11152	SCADA control for Well 1B	2,000
06-07	11-11152	Well 3A Flow Meter	3,000
<b>CAPITAL OUTLAY PLAN</b>		<b>28,500</b>	
<b>TOTAL WATER CAPITAL BUDGET</b>		<b>\$379,400</b>	

AVAILABLE RESERVES 2/28/2006 \$997,318

\* Contingency planning for worse case scenario found during planned Well 3B maintenance

\*\* Capital budget item is included in the Strategic Plan.

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
BUDGET - WASTEWATER CAPITAL  
FISCAL YEAR 2006-2007**

FYE Approved	FUNDING SOURCE	AMOUNT
<b>CAPITAL IMPROVEMENT PLAN</b>		<b>Capital Reserves</b>
05-06 **	12-11171	Water and Wastewater System Evaluation @ 50%
		30,600
06-07 **	12-11152	L/S #1 Wet Well Expansion
		30,000
06-07	12-11152	L/S #3 Impeller
		2,000
06-07	12-11152	L/S #4 Impeller
		2,000
<b>CAPITAL IMPROVEMENT PLAN</b>		<b>\$64,600</b>
<b>CAPITAL REPLACEMENT PLAN</b>		<b>Capital Reserves</b>
05-06 **	12-11152	SCADA Operating System @ 20%
		26,300
06-07 **	12-11153	L/S #1 Backup Generator
		37,500
<b>CAPITAL REPLACEMENT PLAN</b>		<b>\$63,800</b>
<b>CAPITAL OUTLAY PLAN</b>		<b>Capital Reserves</b>
06-07 **	12-11183	Pickup Truck
		30,000
<b>CAPITAL OUTLAY PLAN</b>		<b>\$30,000</b>
<b>TOTAL WASTEWATER CAPITAL BUDGET</b>		<b>\$158,400</b>

AVAILABLE RESERVES 2/28/2006 \$1,023,499

\*\* Capital budget item is included in the Strategic Plan.

# OPERATING BUDGET

The operating budget expenditures are presented in two categories:

- **Water Fund**
- **Wastewater Fund**

The operating budget is funded by rates.

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
WATER AND WASTEWATER ENTERPRISE FUNDS  
OPERATING BUDGETS FOR FISCAL YEAR 2006-2007**

Below is a summary explanation for each category of the proposed operating budget for the water and wastewater enterprise funds. Although each fund has its own budget, they are described together in the summary to better represent the operating activities of the District. More detailed information on each line item is available in the District Office for review.

**OPERATING REVENUES**

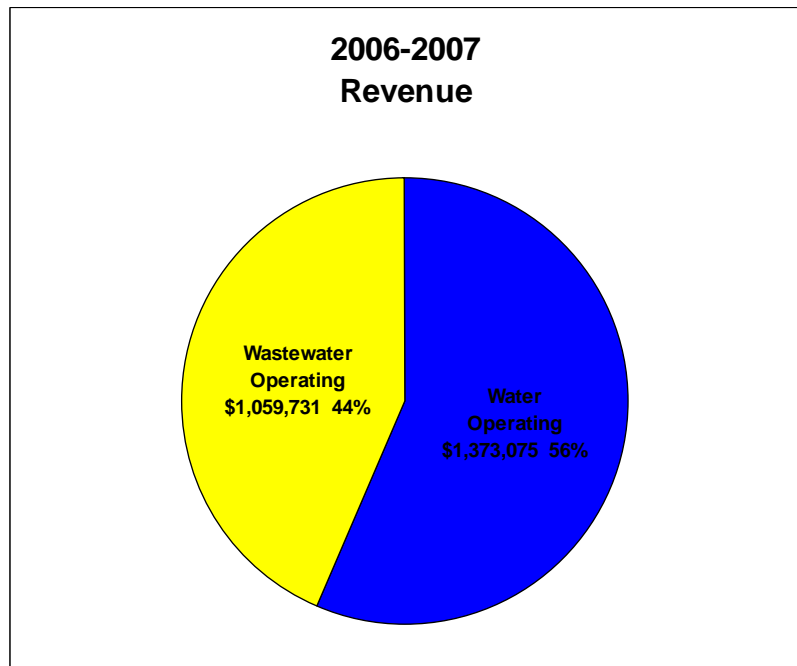
The proposed water and wastewater revenues reflect no changes in rates.

**Water** revenues are projected by using an average number of active customers for a calendar year and five-year historical average water consumption. Since revenue projection is based on historic

performance, it should be expected that throughout the fiscal year, actual revenue could be better in some months and worse in others.

**Wastewater** revenues are projected by using an average number of active customers. The fees collected are fixed monthly charges; hence, actual performance does not vary greatly from budget projection.

In addition to budgeted water and wastewater revenues, staff estimates a reserve replenishment total in the amount of approximately \$445,000 for Fiscal Year 2006-2007.



## NON-OPERATING REVENUES

**Interest Earnings** are budgeted for the District's investment accounts with LAIF, Santa Barbara County, Capital One Bank, Countrywide Bank, and the United States Treasury; money market account at Santa Barbara Bank & Trust; and WCRF at the City of Lompoc.

Projections are as follows:

LAIF	3.60% - Variable
Santa Barbara County	3.12% - Variable
Money Market	5.02% - Variable
SBBT CD	3.70% - Fixed
Countrywide CD	4.76% - Fixed
Capital One CD	4.88% - Fixed
US Treasury T-Note	4.63% - Fixed
WCRF	4% - Variable

## OPERATING EXPENSES

In general, operating expenses that are not specific to the water or wastewater funds are allocated at 60% water, 40% wastewater (insurance, utilities, office supplies, administrative expenses). Customer related expenses are allocated at 50% to each fund (billing stock, postage, newsletters).



**Purchased Power** - PG&E and Southern California Gas. Assumes a 5.6% increase in rates for calendar year 2006 and 7.0% increase for calendar year 2007.

**Water Treatment** – Budgeted water treatment costs increased \$32,380 over fiscal year 2005-06 budget.

- Chemical costs are increasing by 15%.
- \$7,000 was budgeted in fiscal year 2005-06 for filter media replacement. Subsequent inspection of the pressure vessel has determined that the budget required an increase to \$37,500.
- The Department of Health regulatory fees have been increasing yearly. This year's budget is estimated at \$7,200.

**Salaries & Benefits** – Salaries and benefits have only increased \$23,622 over fiscal year 2006 budget. The anticipated salaries and benefits for working hours are:

Water fund	\$478,976	(FY 2006: \$462,200)
Wastewater fund	\$300,496	(FY 2006: \$293,650)
Total benefits	\$779,472	(FY 2006: \$755,850)

The budget assumes that all employees will receive at least one merit increase. Benefits such as PERS and worker's compensation which are based on gross salaries reflect this assumption.

The benefits budgeted expenses increased by \$11,229. Employee benefits represent 57.9% of base salaries. That is, the additional cost for paid benefits such as insurance, retirement, etc. is 57.9% of the total base salary the District pays its employees.

The table below shows a historical comparison of actual salaries to budget (does not include paid benefits such as holiday, sick and vacation):

Fiscal Year	Notes	Total Budgeted Salaries	Total Actual Salaries	Variance from budget
03-04	salary survey adjustment + full time General Manager + severance pay	417,600	441,297	+23,697
04-05		439,100	453,207	+14,107
05-06	projected	442,200	378,536	-63,664
06-07		475,100		

**Insurance** – Cost includes general liability and property casualty insurance. The budget amount assumes no increase in rates charged by ACWA-JPIA.

**Depreciation** – Budget depreciation assumes new capital assets purchased in January. All assets are depreciated for the full month beginning the first month of ownership.

Although there is no cash outlay for depreciation expense, the Board adopted a Resolution in 1994 to set cash aside based on depreciation expense and establish rates to provide sufficient cash to fund this depreciation expense in order to fund a replacement reserve for the purpose of replacing capital equipment.

**Transmission & Distribution** – Budget increased overall by \$20,350. The significant expenditures include earthquake repairs to Reservoir 5B, Poly B blowoff repairs per the strategic plan, and meters for Providence Landing.

**Professional/Contract Services** – Budget decreased slightly due to bondholders fees being removed.

**Customer Accounts, Administrative, Other** – Budget increased by \$2,000 overall.

**Wastewater Treatment** – Budget increased by \$50,000. The monthly treatment payments are based on estimated rates set by the City of Lompoc. Yearly, the City’s prior fiscal year audited actual costs are reconciled against the total monthly payments.

**WCRF** represents the District’s portion of capital improvements to the wastewater treatment plant. The budgeted cost decreased to \$7,000 since capital costs are temporarily down due to the focus on the wastewater treatment plant improvement project.

## NET INCOME

Water Fund	\$279,792	Wastewater Fund	<\$14,239>
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**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
AMENDED BUDGET  
FISCAL YEAR 2006-2007**

		Water	Wastewater	Combined
<b>REVENUE</b>				
41100	Residential	805,743	757,066	1,562,809
41200	Commercial	95,580	175,251	270,831
41300	Bulk Metered Residential	41,114		41,114
41400	Irrigation	78,505		78,505
42100	Fire Protection	924		924
49200	Interest Earnings (Investments)	58,942	56,895	115,837
	Reserve Replenishment	351,209	127,414	478,623
		<b><u>\$1,432,017</u></b>	<b><u>\$1,116,626</u></b>	<b><u>\$2,548,643</u></b>
<b>EXPENSES</b>				
<b>Source of Supply</b>				
51105	Contract Services	2,350		2,350
51112	Pumping Equipment	10,000		10,000
51405	SYRWCD Pump Tax	15,150		15,150
51415	Cloud Seeding	3,000		3,000
<b>Pumping Equipment</b>				
52105	Contract Services	2,500		2,500
52112	Supplies & Repairs	14,980	1,060	16,040
52113	SCADA Supplies and Repairs	760	190	950
52300	Purchase Power	175,000	5,400	180,400
52310	Generator Fuel	2,000		2,000
<b>Water/Wastewater Treatment</b>				
53105 1	Wastewater Treatment - LRWRP		450,000	450,000
53105 2	Wastewater Treatment - Plant Lease - WCRF		7,000	7,000
53115	Regulatory Fees AB2995	7,200		7,200
53118	Water Treatment - Chemicals	62,000		62,000
53203	Water Treatment - Filter Media	37,500		37,500
53205	Contract Services	3,200		3,200
53212	Supplies & Repairs	1,000		1,000
53214	Utility Services	550		550
<b>Transmission and Distribution</b>				
54103	Waste Discharge Fee		800	800
54105	Contract Services	500		500
54132	Supplies & Repairs	1,000		1,000
54205	Contract Services - Reservoirs	1,000		1,000
54213	Supplies & Repairs - Reservoirs	40,000		40,000
54222	Supplies & Repairs - Mains	4,250	58,450	62,700
54232	Supplies & Repairs - Services	10,000	2,500	12,500
54232 1	Supplies & Repairs - Poly B	10,000		10,000
54242	Supplies & Repairs - Meters	27,000		27,000

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
AMENDED BUDGET  
FISCAL YEAR 2006-2007**

		Water	Wastewater	Combined
54252	Supplies & Repairs - Hydrants	600		600
<b>Customer Accounts</b>				
55102	Operating Supplies	4,100	3,600	7,700
55104	Utility Services	1,740	1,725	3,465
55105	Contract Services	7,050	4,050	11,100
55106	Postage	5,820	5,825	11,645
55200	Uncollectible Accounts	500	500	1,000
<b>Administrative and General</b>				
56202	Office Supplies	3,000	2,000	5,000
56204	Utility Services	3,960	2,650	6,610
56205	Contract Services	5,430	3,635	9,065
56206	Postage	270	180	450
56208	Professional Services	6,150	4,100	10,250
56209	Membership Fees and Dues	9,140	950	10,090
56210	Employee Travel Expense (Direct Payment)	2,040	1,350	3,390
56210 1	Employee Travel Expense (Reimbursed)	2,040	1,350	3,390
56211	Subscriptions and Books	525	325	850
56213	Equipment Rental	1,050	700	1,750
56215	LAFCO Mandatory Fees	1,000	650	1,650
56217	Director Expense (Direct Payment)	3,075	2,050	5,125
56217 1	Director Expense (Reimbursed)	3,075	2,050	5,125
56301	Property/General Liability Insurance	16,260	10,850	27,110
56704	Utility Services	980	630	1,610
56705	Contract Services	3,530	2,000	5,530
56712	Supplies & Repairs	6,990	3,850	10,840
56713	Computer Supplies & Repairs	2,450	1,620	4,070
56714	Furniture and Equipment	300	200	500
56810	Election Expense	1,800	1,200	3,000
57110	Depreciation	125,000	30,000	155,000
57302	Supplies & Repairs - Transportation	1,440	960	2,400
57303	Fuel - Vehicles	3,600	2,400	6,000
57312	Tools	1,950	1,800	3,750
57313	Fuel - Equipment	360	240	600
57320	Uniforms	390	260	650
57321	Uniforms - Reimbursed	480	320	800
57350	Safety Supplies	1,200	800	2,000
57351	Safety Boots	360	240	600
<b>Employee Salaries and Benefits</b>				
Various	Salaries	307,800	167,300	475,100
56401	Sick/Personal	16,700		16,700
56402	Vacation	23,300		23,300

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
AMENDED BUDGET  
FISCAL YEAR 2006-2007**

		Water	Wastewater	Combined
56403	Holiday	21,200		21,200
56403 1	Floating Holiday	1,972		1,972
56406	Medical Insurance	50,000		50,000
56407	Long Term Disability	6,000		6,000
56410	Educational	8,800		8,800
56417	PERS	123,000		123,000
56418	Dental Insurance	8,000		8,000
56419	Life Insurance	2,000		2,000
56421	Workers Compensation	30,000		30,000
56423	Vision Care	2,000		2,000
56424	Performance/Incentive Pay	1,000		1,000
56430	Medicare FICA	7,900		7,900
56431	SUI	2,500		2,500
56450	CWIP Contra Account	(9,896)	9,896	-
57363/57463	WW Allocation - Workers Compensation	(11,100)	11,100	-
57364/57464	WW Allocation - Employee Benefits	(109,100)	109,100	-
57372/57472	WW Allocation - Payroll Taxes	(3,100)	3,100	-
		<b>\$1,137,571</b>	<b>\$920,956</b>	<b>\$2,058,527</b>

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
OPERATING BUDGET - WATER  
FISCAL YEAR 2006 - 2007**

	Actual FY Ended 6/30/2005	Amended Budget 6/30/2006	Staff Proposed 6/30/2007	% Total Revenue/ Expense	Committee Recommended 6/30/2007	% Total Revenue/ Expense	Board Approved 6/30/2007	% Total Revenue/ Expense
<b>OPERATING REVENUE</b>								
Water Sales	\$ 924,801	\$970,529	\$ 1,319,126	93.07%	\$ 1,319,126	93.07%	\$ 1,373,075	96.88%
Sub-Total	\$ 924,801	\$970,529	\$ 1,319,126	93.07%	\$ 1,319,126	93.07%	\$ 1,373,075	96.88%
<b>NON-OPERATING REVENUE</b>								
Interest, etc.	\$ 28,648	\$26,625	\$ 98,237	6.93%	\$ 98,237	6.93%	\$ 58,942	4.16%
Bond Charges	338,508	113,000	-	0.00%	-	0.00%	-	0.00%
Other Non-Operating	2,182	-	-	0.00%	-	0.00%	-	0.00%
Sub-Total	\$ 369,337	\$139,625	\$ 98,237	6.93%	\$ 98,237	6.93%	\$ 58,942	4.16%
<b>OPERATING EXPENSE</b>								
Salaries & Benefits	\$ 453,207	\$ 462,200	\$ 478,976	41.54%	\$ 478,976	42.11%	\$ 478,976	42.11%
Purchased Power	164,882	193,500	211,500	18.34%	175,000	15.38%	175,000	15.38%
Insurance	14,429	15,000	16,260	1.41%	16,260	1.43%	16,260	1.43%
Depreciation	126,392	109,700	125,000	10.84%	125,000	10.99%	125,000	10.99%
Source of Supply	17,413	32,230	30,500	2.65%	30,500	2.68%	30,500	2.68%
Pumping	13,894	15,300	16,430	1.42%	20,240	1.78%	20,240	1.78%
Treatment	56,357	78,025	97,700	8.47%	111,450	9.80%	111,450	9.80%
Transmission and Distribution	47,837	74,000	94,350	8.18%	94,350	8.29%	94,350	8.29%
Administrative	47,654	51,585	54,115	4.69%	56,805	4.99%	56,805	4.99%
Customer Accounts	13,979	17,650	19,210	1.67%	19,210	1.69%	19,210	1.69%
Transportation	6,482	4,450	5,040	0.44%	5,040	0.44%	5,040	0.44%
Tools/Equipment	5,977	1,550	1,560	0.14%	2,310	0.20%	2,310	0.20%
Other	1,186	2,250	2,430	0.21%	2,430	0.21%	2,430	0.21%
Sub-Total	\$ 969,689	\$1,057,440	\$ 1,153,071	100.00%	\$ 1,137,571	100.00%	\$ 1,137,571	100.00%
<b>NON-OPERATING EXPENSE</b>								
Bond Interest	\$ 88,377	\$ 36,575	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Other	4,035	-	-	0.00%	-	0.00%	-	0.00%
Sub-Total	\$ 92,413	\$36,575	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
<b>NET INCOME</b>								
+ Depreciation	\$ 232,036	\$16,139	\$ 264,292		\$ 279,792		\$ 294,446	25.88%
	126,392	109,700	125,000		125,000		125,000	
<b>ESTIMATED ADDITION TO CASH RESERVES</b>								
	\$ 358,428	\$ 125,839	\$ 389,292		\$ 404,792		\$ 419,446	36.87%

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
OPERATING BUDGET - WASTEWATER  
FISCAL YEAR 2006 - 2007**

	Actual FY Ended 06/30/05	Amended Budget 06/30/06	Staff Proposed 06/30/07	% Total Revenue/ Expense	Committee Recommended 06/30/07	% Total Revenue/ Expense	Board Approved 06/30/07	% Total Revenue/ Expense
<b>OPERATING REVENUE</b>								
Wastewater Services	\$ 680,504	\$ 978,000	\$ 889,117	98.06%	\$ 889,117	98.06%	\$ 1,059,731	94.90%
Sub-Total	\$ 680,504	\$ 978,000	\$ 889,117	98.06%	\$ 889,117	98.06%	\$ 1,059,731	94.90%
<b>NON-OPERATING REVENUE</b>								
Interest, etc.	\$ 56,853	\$ 31,075	\$ 17,600	1.94%	\$ 17,600	1.94%	\$ 56,895	5.10%
Bond Charges	109,437	37,000	-	0.00%	-	0.00%	-	0.00%
Other Non-Operating	13,413	-	-	0.00%	-	0.00%	-	0.00%
Sub-Total	\$ 179,703	\$ 68,075	\$ 17,600	1.94%	\$ 17,600	1.94%	\$ 56,895	5.10%
<b>OPERATING EXPENSE</b>								
Salaries & Benefits	\$ 195,850	\$ 293,650	\$ 300,496	34.30%	\$ 300,496	32.63%	\$ 300,496	32.63%
Purchased Power	3,696	4,950	14,450	1.65%	5,400	0.59%	5,400	0.59%
Wastewater Treatment	429,377	400,000	400,000	45.66%	450,000	48.86%	450,000	48.86%
WCRF	7,768	10,000	7,000	0.80%	7,000	0.76%	7,000	0.76%
Insurance	8,354	10,000	10,850	1.24%	10,850	1.18%	10,850	1.18%
Depreciation	23,199	23,000	30,000	3.42%	30,000	3.26%	30,000	3.26%
Pumping	5,934	8,250	1,020	0.12%	1,250	0.14%	1,250	0.14%
Collection	1,057	4,500	60,950	6.96%	61,750	6.70%	61,750	6.70%
Customer Accounts	11,187	14,650	15,700	1.79%	15,700	1.70%	15,700	1.70%
Administrative	24,702	29,065	28,490	3.25%	31,490	3.42%	31,490	3.42%
Transportation	4,321	3,950	3,360	0.38%	3,360	0.36%	3,360	0.36%
Tools/Equipment	4,824	1,050	2,040	0.23%	2,040	0.22%	2,040	0.22%
Other	754	1,525	1,620	0.18%	1,620	0.18%	1,620	0.18%
Sub-Total	\$ 721,024	\$804,590	\$ 875,976	100.00%	\$ 920,956	100.00%	\$ 920,956	100.00%
<b>NON-OPERATING EXPENSE</b>								
Bond Interest	\$ 30,165	\$ 12,300	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Other	-	-	-	0.00%	-	0.00%	-	0.00%
Sub-Total	\$ 30,165	\$12,300	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
<b>NET INCOME</b>								
	\$ 109,018	\$ 229,185	\$ 30,741		\$ (14,239)		\$ 195,670	21.25%
+ Depreciation	23,199	23,000	30,000		30,000		30,000	
<b>ESTIMATED ADDITION TO CASH RESERVES</b>								
	\$ 132,217	\$ 252,185	\$ 60,741		\$ 15,761		\$ 225,670	24.50%