

UTILITIES DEPARTMENT - SUMMARY

The Pinellas County Utilities Department is composed of the Water System, Sewer System, and Solid Waste Management Divisions.

The Utilities Service Fund is a budget convention to account for consolidated departmental services provided to the 3 Divisions, Water, Sewer and Solid Waste. The Lealman Solid Waste Collection & Disposal District is shown separately at the end.

Department Revenues	FY07 Budget	FY08 Request	Variance	%
LICENSE AND PERMITS	124,690	76,720	-47,970	-38.5%
CHARGES FOR SERVICE	210,542,080	220,121,530	9,579,450	4.5%
RENTS/SURPLUS/REFUNDS	939,530	709,580	-229,950	-24.5%
SPECIAL ASSESSMENTS	2,000	1,050	-950	-47.5%
REIMBURSEMENTS	178,720	59,000	-119,720	-67.0%
GRANTS & DONATIONS - STATE	287,730	237,500	-50,230	-17.5%
CAPITAL CONTRIBUTIONS - PRIVATE	3,858,760	2,389,510	-1,469,250	-38.1%
CAPITAL CONTRIB. - OTHER SOURCES	3,257,550	2,571,400	-686,150	-21.1%
INTEREST EARNINGS	11,096,320	12,545,020	1,448,700	13.1%
OTHER MISCELLANEOUS REVENUES	38,480	3,102,420	3,063,940	7962.4%
DEBT PROCEEDS	80,000,000	153,840,000	73,840,000	92.3%
TOTAL REVENUE	310,325,860	395,653,730	85,327,870	27.5%
BEGINNING FUND BALANCE	234,503,580	228,697,060	-5,806,520	-2.5%
TOTAL REVENUE & FUND BALANCE	544,829,440	624,350,790	79,521,350	14.6%

Department Expenditures	FY07 Budget	FY08 Request	Variance	%
PERSONAL SERVICES	45,313,750	46,544,960	1,231,210	2.7%
OPERATING EXPENDITURES	142,869,840	140,055,590	-2,814,250	-2.0%
CAPITAL OUTLAY	2,082,000	1,919,980	-162,020	-7.8%
TOTAL OPERATING EXPENDITURES	190,265,590	188,520,530	-1,745,060	-0.9%
Less: Total Program Changes		-1,347,580		
TOTAL OPERATING EXPENDITURES WITHOUT PROGRAM CHANGES	190,265,590	187,172,950	-3,092,640	-1.6%
CAPITAL IMPROVEMENT PLAN (CIP)	151,439,000	201,783,230	50,344,230	33.2%
Subtotal Expenditures with CIP & Prog. Chgs	341,704,590	390,303,760	48,599,170	14.2%
GRANTS & AIDS	970,000	4,696,000	3,726,000	384.1%
DEBT SERVICE	18,438,180	21,695,710	3,257,530	17.7%
RESERVES	183,716,670	207,655,320	23,938,650	13.0%
TOTAL EXPENDITURES INCL. CIP & Prog. Chgs	544,829,440	624,350,790	79,521,350	14.6%

* Excludes the Lealman Solid Waste Collection and Disposal District Fund.

Personnel Summary

Total Permanent Positions	636	635	-1
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UTILITIES SERVICE FUND

Utilities consists of the Water System, the Sewer System, and Solid Waste Management. The Utilities Service Fund is a budget convention to account for consolidated departmental services provided to each of the three enterprise activities (Water System, Sewer System & Solid Waste Management). These costs are fully distributed to the three systems and these charges are not included in the final totals for total Utilities Department, so as not to double-count expenditures.

Department Revenues	FY07 Budget	FY08 Request	Variance	%
REIMBURSEMENTS*	224,241,920	235,103,360	10,861,440	4.8%
TOTAL REVENUES	224,241,920	235,103,360	10,861,440	4.8%
Department Expenditures	FY07 Budget	FY08 Request	Variance	%
PERSONAL SERVICES	45,313,750	46,544,960	1,231,210	2.7%
OPERATING EXPENSES	149,948,790	147,056,110	-2,892,680	-1.9%
DEBT SERVICE	50,000	50,000	0	0.0%
GRANTS & AIDS	950,000	1,350,000	400,000	42.1%
Subtotal Expenditures	196,262,540	195,001,070	-1,261,470	-0.6%
RESERVES	27,979,380	40,102,290	12,122,910	43.3%
TOTAL EXPENDITURES	224,241,920	235,103,360	10,861,440	4.8%

* Reimbursements reflect the allocations of costs that are fully distributed to the Water System, Sewer System, and Solid Waste Management Divisions.

WATER SYSTEM

The Water System is responsible for the provision of quality, cost effective potable water service to County retail and wholesale customers by planning, developing, constructing, financing, operating and maintaining water supply, treatment and distribution facilities in accordance with State and Federal laws, rules and regulations. The system is continually being upgraded to provide customers with a safe and sufficient water supply for domestic needs as well as an ample supply for fire protection.

Department Revenues	FY07 Budget	FY08 Request	Variance	%
CHARGES FOR SERVICE	80,199,730	85,288,530	5,088,800	6.3%
RENTS/SURPLUS/REFUNDS	860,740	615,370	-245,370	-28.5%
CAPITAL CONTRIBUTIONS - PRIVATE	2,528,760	1,439,510	-1,089,250	-43.1%
INTEREST EARNINGS	5,223,260	4,466,210	-757,050	-14.5%
OTHER MISCELLANEOUS REVENUES	480	480	0	0.0%
DEBT PROCEEDS	80,000,000	90,000,000	10,000,000	12.5%
INTERFUND TRANSFERS	10,264,650	19,161,760	8,897,110	86.7%
TOTAL REVENUE	179,077,620	200,971,860	21,894,240	12.2%
BEGINNING FUND BALANCE	52,131,640	58,083,830	5,952,190	11.4%
TOTAL REVENUE & FUND BALANCE	231,209,260	259,055,690	27,846,430	12.0%

Department Expenditures*	FY07 Budget	FY08 Request	Variance	%
OPERATING EXPENDITURES	96,101,460	89,201,920	-6,899,540	-7.2%
CAPITAL OUTLAY	1,141,000	599,880	-541,120	-47.4%
Subtotal Operating Expenditures	97,242,460	89,801,800	-7,440,660	-7.7%
CAPITAL IMPROVEMENT PLAN (CIP)	62,920,000	66,463,310	3,543,310	5.6%
DEBT SERVICE	5,102,180	6,395,210	1,293,030	25.3%
GRANTS & AIDS	470,000	3,946,000	3,476,000	739.6%
Subtotal Expenditures	165,734,640	166,606,320	871,680	0.5%
TRANSFERS	10,264,650	19,161,760	8,897,110	86.7%
RESERVES	55,209,970	73,287,610	18,077,640	32.7%
TOTAL EXPENDITURES	231,209,260	259,055,690	27,846,430	12.0%

* Personal Services are all budgeted in the Utilities Service Fund.

SEWER SYSTEM

The Sewer System is responsible for the provision of quality, cost effective sewer service to the citizens residing in County sewer service areas by planning, developing, constructing, financing, operating and maintaining sewage collection, transmission, treatment and disposal facilities in accordance with State and Federal laws, rules and regulations.

Department Revenues	FY07 Budget	FY08 Request	Variance	%
LICENSES	124,690	76,720	-47,970	-38.5%
CHARGE FOR SERVICES	53,494,270	56,151,660	2,657,390	5.0%
RENTS/SURPLUS/REFUNDS	33,730	38,950	5,220	15.5%
SPECIAL ASSESSMENTS	2,000	1,050	-950	-47.5%
GRANTS & DONATIONS - STATE	237,500	237,500	0	0.0%
CAPITAL CONTRIBUTIONS - PRIVATE	1,330,000	950,000	-380,000	-28.6%
CAPITAL CONTRIB. - OTHER SOURCES	3,257,550	2,571,400	-686,150	-21.1%
INTEREST EARNINGS	2,384,910	3,483,440	1,098,530	46.1%
OTHER MISCELLANEOUS REVENUES	38,000	3,101,940	3,063,940	8063.0%
INTERFUND TRANSFERS	20,879,740	24,929,810	4,050,070	19.4%
DEBT PROCEEDS	0	63,840,000	63,840,000	0.0%
TOTAL REVENUE	81,782,390	155,382,470	73,600,080	90.0%
BEGINNING FUND BALANCE	83,950,100	58,406,040	-25,544,060	-30.4%
TOTAL REVENUE & FUND BALANCE	165,732,490	213,788,510	48,056,020	29.0%

Department Expenditures*	FY07 Budget	FY08 Request	Variance	%
OPERATING EXPENDITURES	38,973,200	43,440,420	4,467,220	11.5%
CAPITAL OUTLAY	789,000	784,900	-4,100	-0.5%
Subtotal Operating Expenditures	39,762,200	44,225,320	4,463,120	11.2%
CAPITAL IMPROVEMENT PLAN (CIP)	62,093,000	65,097,880	3,004,880	4.8%
DEBT SERVICE	13,286,000	15,205,680	1,919,680	14.4%
Subtotal Expenditures	115,141,200	124,528,880	9,387,680	8.2%
TRANSFERS	20,879,740	24,929,810	4,050,070	19.4%
RESERVES	29,711,550	64,329,820	34,618,270	116.5%
TOTAL EXPENDITURES	165,732,490	213,788,510	48,056,020	29.0%

* Personal Services are all budgeted in the Utilities Service Fund.

SOLID WASTE MANAGEMENT

The Solid Waste Management system is responsible for the provision of cost effective and environmentally sound disposal of solid wastes for all citizens of Pinellas County through waste-to-energy, recycling and landfill operations. It oversees the operation of the Refuse-to-Energy Facility that generates electricity which is then sold to Progress Energy.

Department Revenues	FY07 Budget	FY08 Request	Variance	%
CHARGE FOR SERVICES	76,848,080	78,681,340	1,833,260	2.4%
RENTS/SURPLUS/REFUNDS	45,060	55,260	10,200	22.6%
REIMBURSEMENTS	178,720	59,000	-119,720	-67.0%
GRANTS & DONATIONS - STATE	50,230	0	-50,230	-100.0%
INTEREST EARNINGS	3,488,150	4,595,370	1,107,220	31.7%
INTERFUND TRANSFERS	92,800,060	35,796,170	-57,003,890	-61.4%
TOTAL REVENUE	173,410,300	119,187,140	-54,223,160	-31.3%
BEGINNING FUND BALANCE	98,421,840	112,207,190	13,785,350	14.0%
TOTAL REVENUE & FUND BALANCE	271,832,140	231,394,330	-40,437,810	-14.9%

Department Expenditures*	FY07 Budget	FY08 Request	Variance	%
OPERATING EXPENDITURES (With Prog. Chgs)	53,716,270	55,340,610	1,624,340	3.0%
CAPITAL OUTLAY	152,000	535,200	383,200	252.1%
Subtotal Operating Expenditures	53,868,270	55,875,810	2,007,540	3.7%
Less: Prog. Change: Beach Recycling		-568,700		
Less: Prog. Change: Countywide Litter Prog.		-630,000		
Less: Prog. Change: Countywide Curb Recyc.		-125,000		
Less: Prog. Change: Mgmt Intern Beach Recyc.		-23,880		
Subtotal Expenditures Without Prog. Changes	53,868,270	54,528,230	659,960	1.2%
CAPITAL IMPROVEMENT PLAN (CIP)	26,426,000	70,244,450	43,818,450	165.8%
DEBT SERVICE	0	22,410	22,410	0.0%
GRANTS & AIDS	500,000	750,000	250,000	50.0%
Subtotal Expenditures	80,794,270	126,892,670	46,098,400	57.1%
TRANSFERS	92,800,060	35,796,170	-57,003,890	-61.4%
RESERVES	98,237,810	68,705,490	-29,532,320	-30.1%
TOTAL EXPENDITURES (Including Prog. Chgs)	271,832,140	231,394,330	-40,437,810	-14.9%

* Personal Services are all budgeted in the Utilities Service Fund.

LEALMAN SOLID WASTE COLLECTION & DISPOSAL DISTRICT

The Lealman Solid Waste Collection and Disposal District Fund is used to account for the revenues and operating expenditures associated with the Lealman Municipal Service Business Unit (MSBU). The Lealman MSBU was established to provide for the residential waste collection and disposal services within the unincorporated Lealman area. A non-ad-valorem special assessment is levied on Lealman MSBU property owners' tax bills annually to provide funding for these services.

Department Revenues by Fund	FY07 Budget	FY08 Request	Variance	%
SPECIAL ASSESSMENTS	1,384,010	1,153,020	-230,990	-16.7%
INTEREST EARNINGS	26,220	22,070	-4,150	-15.8%
TOTAL REVENUE	1,410,230	1,175,090	-235,140	-16.7%
BEGINNING FUND BALANCE	0	212,280	212,280	0.0%
TOTAL REVENUE & FUND BALANCE	1,410,230	1,387,370	-22,860	-1.6%

Department Expenditures by Fund	FY07 Budget	FY08 Request	Variance	%
OPERATING EXPENDITURES	1,149,640	1,155,270	5,630	0.5%
Subtotal Operating Expenditures	1,149,640	1,155,270	5,630	0.5%
TRANSFERS	38,900	24,280	-14,620	-37.6%
Subtotal Operating Expenditures & Transfers	1,188,540	1,179,550	-8,990	-0.8%
RESERVES	221,690	207,820	-13,870	-6.3%
TOTAL EXPENDITURES	1,410,230	1,387,370	-22,860	-1.6%

Summary of Departmental Programs for Total Budget Justification

Water System**Strategic Focus Area: Transportation, Utilities and Stormwater**

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's	FY09 (2nd Year) Program Allocation (\$)	Performance Measures	Estimated FY08
Water Supply							
Tampa Bay Water	Mandatory	Funding for the purchase of potable water from Tampa Bay Water.	\$52,842,230	0.0	\$53,899,080	Million gallons per day saved by customer participation in water conservation programs	2.86
Treatment	Mandatory	Funding for the operating cost for the treatment of water purchased from Tampa Bay Water.	\$16,235,730	136.5	\$16,722,800	Number of water disruptions per 1,000 customer accounts percentage of planned work	77 accts . 55%
Distribution	Mandatory	Preventative and corrective maintenance of water lines, including breaks and stoppages. Provides water taps, connections and line extensions relating to water new construction.	\$8,756,970	90.0	\$9,019,680	Number of water disruptions per 1,000 customer accounts percentage of planned work percentage of potable water unaccounted for	78 accts . 55% <7%
Administration, Coordination and Outreach							
Utilities System Support	Non Mandatory	Information Systems development, technical and operational support.	\$2,607,270	1.5	\$2,607,270		
Intergovernmental Service Charges	Non Mandatory	Cost associated with the general fund support, Risk Management and Information Technology	\$5,785,930		\$5,785,930		
Utilities Administration	Administrative	the Utilities organization, to include legal and professional consulting services.	\$2,973,790	14.5	\$2,973,790		
Capital Outlay / CIP							
Equipment	Capital Outlay	Funding for the purchase of capital equipment and machinery for use operational support.	\$599,880		\$611,878		
Capital Improvement Projects	Capital Outlay	Funding for capital improvement projects associated with the infrastructure.	\$66,463,310	40.0	\$51,356,000		
Grants & Aids							
Grants & Aids	Grants & Aids	Funding provided for costs associated with construction contribution for funding new reclaimed water projects.	\$3,946,000		\$3,946,000		
Debt Service							
Debt Service	Debt Service	Funding for debt service requirement.	\$6,395,210		\$6,395,210		
Transfer							
Transfer	Transfers		\$19,161,760		\$19,161,760		
Reserves							
Reserves	Reserves		\$73,287,610		\$34,179,000		
TOTALS:			\$259,055,690	282.5	\$206,658,397		

Summary of Departmental Programs for Total Budget Justification

Sewer System**Strategic Focus Area: Transportation, Utilities and Stormwater**

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's	FY09 (2nd Year) Program Allocation (\$)	Performance Measures	Estimated FY08
Sewerage Disposal							
Treatment	Mandatory	Funding for operating and maintenance cost of the South Cross WRF and W. E. Dunn Facilities. Includes related pump stations and reclaimed water facilities within the sanitary sewer service areas.	\$28,976,320	153.5	\$29,845,610	# of sanitary sewer overflows # of utility related waterway closings % of planned work cost per 1000 gallons to treat wastewater	<25 <10 . 55% 2.26
Collection	Mandatory	Preventative and corrective maintenance of sewer lines, including breaks and stoppages and sewer connections.	\$6,639,550	68.0	\$6,838,737	# of sanitary sewer overflows # of utility related waterway closings % of planned work	<25 <10 . 55%
Administration, Coordination and Outreach							
Utilities System Support	Non Mandatory	Information Systems development, technical and operational support.	\$2,493,780	1.0	\$2,568,593		
Intergovernmental Service Charges	Non Mandatory	Cost associated with the general fund support, Risk Management and Information Technology	\$4,316,650		\$4,446,150		
Utilities Administration	Administrative	the Utilities organization, to include legal and professional consulting services.	\$1,014,120	12.5	\$1,044,544		
Capital Outlay							
Equipment	Capital Outlay	Funding for the purchase of capital equipment and machinery for use operational support.	\$784,900		\$800,598		
Capital Improvement Projects	Capital Outlay	Funding for capital improvement projects associated with the infrastructure.	\$65,097,880	33.0	\$34,168,000		
Debt Service							
Debt Service	Debt Service	Funding for debt service requirement.	\$15,205,680		\$17,369,000		
Transfer							
Transfer	Transfers		\$24,929,810		\$24,929,810		
Reserves							
Reserves	Reserves		\$64,329,820		\$30,962,000		
TOTALS:			\$213,788,510	268.0	\$152,973,041		

Summary of Departmental Programs for Total Budget Justification

Solid Waste Operations**Strategic Focus Area: Transportation, Utilities and Stormwater**

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's*	FY09 (2nd Year) Program Allocation (\$)	Performance Measures	Estimated FY08
Solid Waste Disposal							
Disposal	Mandatory	Funding for operations and maintenance of the resource recovery facility and landfill operations.	\$49,833,560	67.0	\$51,328,567	Waste-to-Energy Plant availability / Total Hours Net Megawatts Sold (monthly average)	90% 38,500
Solid Waste Reef Program							
Reef Program	Non Mandatory	Funding for the operation of the artificial reef program.	\$621,400	4.0	\$640,042	Tons of material placed on Reef Number of reef sites maintained	1,700 tons 13 reefs
Administration, Coordination and Outreach							
Utilities System Support	Administrative	Information Systems development, technical and operational support.	\$861,820	0.5	\$887,675		
Intergovernmental Service Charges	Non Mandatory	Cost associated with the general fund support, Risk Management and Information Technology	\$2,687,890		\$2,768,527		
Utilities Administration	Administrative	the Utilities organization, to include legal and professional consulting services.	\$1,335,940	9.0	\$1,376,018		
Capital Outlay / CIP							
Equipment	Capital Outlay	Funding for the purchase of capital equipment and machinery for use operational support.	\$535,200		\$535,200		
Capital Improvement Projects	Capital Outlay	Funding for capital improvement projects associated with the infrastructure.	\$70,244,450	5.0	\$45,900,000		
Grants & Aids							
Grants & Aids	Grants & Aids	Funding provided for costs associated with recycling efforts.	\$750,000		\$750,000		
Debt Service							
Debt Service / Lease to purchase generators	Debt Service	Funding for debt service requirement.	\$22,410		\$22,410		
Transfers							
Transfers	Transfers		\$35,796,170		\$35,796,170		
Reserves							
Reserves	Reserves		\$68,705,490		\$52,928,000		
TOTALS:			\$231,394,330	85.5	\$192,932,608		

* Includes 1 temporary Management Intern position included as a Program Change. Total permanent FTE positions are 84.5.

Summary of Departmental Programs for Total Budget Justification

Lealman Solid Waste Collection & Disposal District
Strategic Focus Area: Transportation, Utilities and Stormwater

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's*	FY09 (2nd Year) Program Allocation (\$)	Performance Measures	Estimated FY08
Disposal	Non-Mandatory	Established to provide for the residential waste collection and disposal services within the unincorporated Lealman area. A non-ad-valorem special assessment is levied on Lealman Municipal Service Business Unit (MSBU) property owners' tax bills annually to provide funding for these services.	\$1,179,550	0.0	\$1,214,937		
TOTAL:			\$1,179,550	0.0	\$1,214,937		
UTILITIES HEADCOUNT (INCL. PROGRAM CHGE)				636.0			
				-1.0 Temporary Mgt Intern position included as a program change			
UTILITIES GRAND TOTAL (Less Transfers):			\$624,350,790	635.0	\$473,891,243		

Pinellas County FY08 Budget Development

Major Program Budget Service Level Changes

Utilities Department – Solid Waste Management

<u>Program/Service</u>	<u>Financial Impact</u>	<u>FTE</u>	<u>Result</u>
Beach Recycling (Solid Waste Management Fund)	\$568,700	0.0	New beach recycling program recommended based on favorable results from grant-funded pilot program. Aligns with strategic plan strategy to develop countywide beautification plan. Board recommended continued development of program details at workshop on 3/22/07. Impact will be conservation of resources and disposal capacity and positive public image as steward of our beaches. After start-up, annual operating costs estimated at \$60,000-70,000.
Countywide Litter Control (Solid Waste Management Fund)	\$630,000	0.0	Initiative to coordinate fragmented efforts among state, county, municipalities and private entities in this area. Aligns with strategic plan strategy to develop countywide beautification plan. Board recommended continued development of program details at workshop on 3/22/07. Impacts will include countywide beautification, positive response to citizen requests, community pride and stewardship, and qualitative and quantitative measurement and monitoring of efforts as well as measurement of cost-effectiveness of efforts. After start-up, annual operating costs estimated at \$500,000-\$600,000.

Pinellas County FY08 Budget Development

Major Program Budget Service Level Changes (Continued)

Utilities Department – Solid Waste Management

<u>Program/Service</u>	<u>Financial Impact</u>	<u>FTE</u>	<u>Result</u>
Countywide Curbside Recycling (Solid Waste Management Fund)	\$125,000	0.0	Costs for consultant to study potential initiative to offer residential curbside recycling on countywide basis, including unincorporated and municipal residents. Aligns with strategic plan goal to improve solid waste collection in areas of need and strategy to expand curbside recycling through franchising. Board recommended continued development of program details at workshop on 3/22/07.
Management Intern (Solid Waste Management Fund)	\$23,880	1.0	Salary and benefits for temporary management intern to support the Beach Recycling Program.
Total Program Changes	\$1,347,580	1.0	

Pinellas County FY08 Budget Development

Budget Summary Analysis

SFA: Transportation & Utilities

Department: Utilities Department

Utilities Department Summary

- The FY08 Request reflects an increase of \$79,521,350 or 14.6% over the FY07 Revised Budget. Excluding the Capital Improvement Program (CIP) expenditures, Grants & Aids, Debt Service, Transfers and Reserves, the Utilities Department reflects a decrease of \$1,745,060 or 0.9% from the FY07 Revised Budget. For FY08, excluding the 4 requested program changes, Total Operating Expenditures reflects a decrease of \$3,092,640 or 1.6% meeting the budget target.
 - The FY08 Request includes 4 program changes in the amount of \$1,347,580 for the Solid Waste Division that have been previously been proposed to the Board at a Workshop on March 22, 2007.
 - The first program change is for a Beach Recycling Program for \$568,700. This includes general consulting for \$60,000, contract services for \$162,000, operating supplies for \$101,200 and capital equipment for \$245,500 for a new front load garbage truck and cubic yard boxes.
 - The second program change is for a Countywide Litter Control Program for \$630,000. This initiative will help with the countywide beautification efforts.
 - The third program change is for a Countywide Curbside Recycling Program for \$125,000, which will cover the costs of a consultant to study the potential initiative to offer residential curbside recycling on a countywide basis, including the unincorporated and municipal residents.
 - The fourth program change is a request for one temporary Management Intern position for \$23,880 to assist with the Beach Recycling Program.
 - The FY08 Request includes proposed increases to the retail and wholesale water rates and proposed increases to the sewer retail and wholesale rates. In FY08, there are no changes anticipated in the solid waste tipping fees. These proposed rate increases came before the Board on an April 24th Workshop.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Fund 0560 - Utilities Service Fund

- The Utilities Service Fund is a budget convention utilized by Pinellas County Utilities to account for consolidated departmental services provided to each of the three enterprise activities. All operating expenditures and reserves for the consolidated services are first captured in the Utilities Service Fund and then fully allocated to the Water, the Sewer, and Solid Waste Management Systems.
- FY08 Expenditures includes an increase of \$10,861,440 or 4.8% over the FY07 Revised Budget. Excluding Reserves, the FY08 Request reflects a decrease of \$1,261,470 or 0.6% from the FY07 Revised Budget.
 - All Personal Services are reflected in the Utilities Service Fund and then allocated to the separate Divisions. Personal Services shows a \$1,231,210 or 2.7% increase due primarily to the annual market survey and benefits costs increases. The Utilities Department overall has eliminated 17 temporary positions for the FY08 Request and transferred one permanent Utilities Safety Coordinator position to the Risk Department. Of these 17 positions, fourteen positions were associated with the Verizon project and three were within the General Maintenance Department (GMD). The Utilities Department is requesting the addition of 1 additional temporary management intern position for \$23,880 to support the Beach Recycling Program.
 - Operating Expenses includes a decrease of \$2,892,680 or 1.9% due to \$2.5 million for miscellaneous utility service for elimination of the purchase of natural gas for Solid Waste that occurred as a result of the new Waste-to-Energy contract, \$1.2 million in Operating Supplies for the purchase of the Customer Information System (CIS) software in FY07 that will eliminate the need for this expense in FY08, \$1.0 million in contract services for facility operations and support from the completion of the low flow toilet program, and \$815,220 for realignment of lease generators to debt service/capital outlay. Offsetting increases in Operating Expenses are \$1.2 million for general power and \$1.4 million for the purchase of potable water.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Utilities Service Fund (continued)

- For FY08, Grants & Aids includes an increase of \$400,000 or 42.1% primarily due to reimbursing municipalities participating in Pinellas County Utilities' recycling programs for \$750,000, \$300,000 for the shallow well reimbursement program, and \$300,000 for the commercial, industrial and institutional water conservation program.
- Reserves reflect an increase of \$12,122,910 or 43.3% primarily due to the new Solid Waste Waste-to-Energy Contract requiring \$7.5 million to be held in Reserves as a termination stipulation for the vendor.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Water System

- The FY08 Request is anticipated to increase by \$27,846,430 or 12.0% over the FY07 Revised Budget. Excluding the Capital Improvement Plan (CIP), Debt Service, Grants & Aids, Transfers and Reserves, the FY08 Request is anticipated to decrease by \$7,440,660 or 7.7% from the FY07 Revised Budget.
 - The FY08 Request includes no program changes submitted by the Department for this System.
 - Personal Services are budgeted in the Utilities Service Fund are allocated back to the Utilities' divisions as the Intragovernmental Charges.
 - Operating Expenses include a substantial decrease primarily due to a consultant's study that reallocated cost allocation expenditures associated with the Utilities Service Fund for Administration, Finance & Business Support, Customer Service and Intergovernmental Charges with the aggregate of the expenses being reallocated to the Sewer System and Solid Waste; and \$1.8 million decrease due to completion of the low flow toilet program. Offsetting this decrease is a \$1.4 million increase in the costs to purchase water from Tampa Bay Water.
 - Capital Outlay has decreased by \$541,120 or 47.4% in FY08 as reductions were primarily included here to assist in meeting the budget target. Reductions in vehicles, copiers, printers and other office equipment were eliminated for FY08.
 - In FY08, the Capital Improvement Plan (CIP) totals \$66,463,310. This includes \$51.2 million for the Water Blending Facility, \$4.7 million for the Belcher Road 48 inch water main project, \$3.2 million for water's contribution to the sewer system's north county reclaimed water system for potable water conservation efforts, and \$4.4 million for water distribution main replacements and relocations.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Water System (continued)

- In FY08, Debt Service increased by \$1,293,030 or 25.3% due to new costs associated with the new water revenue bond anticipated to be issued in early FY08 for the Water Blending Facility and Belcher Road 48 inch water main replacement.
- Grants & Aids reflect an increase of \$3,476,000 or 739.6% due primarily to the contribution that the Water System is making to the Sewer System as a result of the reduction in potable water from the increased usage in reclaimed water.
- Transfers for FY08 increased by \$8,897,110 or 86.7% due to internal transfers for debt service and for future capital improvement projects.
- Increased Reserves of \$18,077,640 or 32.7% is the result of anticipating the new water revenue bond and is anticipated to be spent in FY08 for this new debt issue.
- Charges for Service have increased \$5,088,800 or 6.3% due to the proposed retail and wholesale water rate increases. Rents/Surplus/Refunds revenues have decreased \$245,370 or 28.5% as excess soil that Utilities anticipated selling from the Martin Borrow Pit site did not occur. Private capital contributions have decreased by \$1,089,250 or 43.1% as Southwest Florida Water Management District (SWIFTMUD) conservation grants have decreased. Debt proceeds have increased \$10,000,000 due to the anticipated debt issue of the Water Blending Facility and Belcher Road 48 inch water main replacement in early FY08.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Sewer System

- The FY08 Request is anticipated to increase by \$48,056,020 or 29.0% over the FY07 Revised Budget. Excluding the Capital Improvement Plan (CIP), Debt Service, Transfers and Reserves, the FY08 Request is anticipated to increase by \$4,463,120 or 11.2% over the FY07 Revised Budget.
 - The FY08 Request includes no program changes submitted by the Department for this System.
 - Personal Services are budgeted in the Utilities Service Fund are allocated back to the Utilities' divisions as the Intragovernmental Charges.
 - Operating Expenses include an increase primarily due to a consultant's study that reallocated cost allocation expenditures associated with the Utilities Service Fund for Administration, Finance & Business Support, Customer Service and Intergovernmental Charges with the aggregate of the expenses being reallocated to the Sewer System and to Solid Waste; and \$1.0 million increase in general power costs; and a \$658,740 increase in chemicals associated with the sewer treatment process for the South Cross Bayou and the W.E. Dunn Water Reclamation Facilities.
 - In FY08, the Capital Improvement Plan (CIP) totals \$65,097,880. Capital Outlay includes \$35.2 million for the improvements and continued extensions of the North and South County bonded reclaimed water projects, \$2.2 million for communication and software upgrades and enhancements for the Supervisory Control and Data Acquisition System (SCADA), and \$6.0 million for upgrades and improvements associated with the South Cross Bayou and W.E. Dunn Water Reclamation Facilities.
 - In FY08, Debt Service increased by \$1,919,680 associated with the new sewer revenue bond that is anticipated to be issued in mid-FY08 to fund the improvements and upgrades with the north and south county sewer, reclaimed water, pump stations and force mains.
 - Transfers for FY08 increased by \$4,050,070 or 19.4% due to increases for the anticipated sewer bond issue and capital improvement projects.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Sewer System (continued)

- Increased Reserves of \$34,618,270 or 116.5% is the result of anticipating the new sewer revenue bond and is anticipated to be spent in FY08 for this new debt issue.
- Licenses have decreased by \$47,970 or 38.5% due to the grease permits volume being less than anticipated. Charges for Service have increased \$2,657,390 or 5.0% due to the proposed retail and wholesale sewer rate increases. Private capital contributions have decreased by \$380,000 or 28.6% as a result of a decrease in fewer customers requesting sewer connection fees, which will continue showing a decreasing trend since the County is built-out. Other capital contributions have decreased by \$686,150 or 21.1% due to Southwest Florida Water Management District (SWIFTMUD) reclamation grants decreasing. Other miscellaneous revenues have increased by \$3,063,940 due to the Sewer System receiving a contribution from the Water System as a result of the potable water savings from the increased usage in reclaimed water. Debt proceeds has increased \$63,840,000 due to a new anticipated sewer bond that will be issued this year to fund the improvements and upgrades with the north and south county sewer, reclaimed water, pump stations and force mains.
- Beginning Fund Balance is anticipated to decrease by \$25,544,060 or 30.4% to fund many of the anticipated capital projects that the sewer system has planned and anticipated debt service that will be planned in mid-FY08.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Solid Waste Management

- The FY08 Request is anticipated to decrease by \$40,437,810 or 14.9% from the FY07 Revised Budget. Excluding the Capital Improvement Plan (CIP), Debt Service, Grants & Aids, Transfers and Reserves, the FY08 Request is anticipated to increase by \$2,007,540 or 3.7% over the FY07 Revised Budget.
 - The FY08 Request includes 4 program changes for \$1,347,580 submitted by the Department for this System. These program changes are: Beach Recycling, Countywide Litter Control, Countywide Curbside Recycling, and one temporary Management Intern to support the Beach Recycling Program.
 - Excluding the 4 individual program changes, the FY08 Request for the Solid Waste System reflects an increase of \$659,960 or 1.2%.
 - Personal Services are budgeted in the Utilities Service Fund and are allocated back to the Utilities' divisions as the Intragovernmental Charges.
 - Operating Expenses include an increase primarily due to a consultant's study that reallocated cost allocation expenditures associated with the Utilities Service Fund for Administration, Finance & Business Support, Customer Service and Intergovernmental Charges with the aggregate of the expenses being reallocated to the Sewer System and to Solid Waste. Offsetting these increases is the elimination of the purchase of natural gas due to the new waste-to-energy contract for a decrease of \$2.5 million.
 - Capital Outlay increased by \$383,200 or 252.1% due primarily to a request in FY08 for a new front load garbage truck and cubic yard boxes for \$245,500, which are associated with the Beach Recycling Program in the program change requested.
 - In FY08, the Capital Improvement Plan (CIP) totals \$70,244,450. Capital Outlay includes \$42.5 million for the contract required Waste-to-Energy procurement projects with \$21.1 million associated with furnace related projects, \$3.2 million for Toytown landfill development improvements, and \$5.2 million for redevelopment implementation of the landfill site, \$2.6 million for rehabilitation/replacement of a mini-transfer lift station, \$3.1 million for Pond "A" dredging, \$3.1 million for Pond "A" embankment.

Pinellas County FY08 Budget Development

Budget Summary Analysis

Solid Waste Management (continued)

stabilization, \$1.7 million for side slope closures to maintain the landfill, and \$3.8 million for slurry wall realignment per regulations at the landfill site.

- Grants & Aids includes an increase of \$250,000 or 50.0% due to reimbursements to the municipalities participating in Pinellas County Utilities' recycling programs.
- Transfers for FY08 decreased by \$57,003,890 or 61.4% due to an internal transfer to utilize more funds for capital improvement projects.
- In FY08, Reserves decreased by \$29,532,320 or 30.1% due to utilizing more reserve funds from the Solid Waste Surplus Reserve Fund for capital improvement projects.
- Charges for Service have increased \$1,833,260 or 2.4% due to an increase in electrical capacity sales. Decreased Reimbursements of \$119,720 reflect a reimbursement from the Lealman Municipal Services Benefit Unit (MSBU) for administrative costs related to the Lealman MSBU. State grants have decreased by \$50,230 or 100% as a result of elimination of the State Innovative Recycling grant.

Pinellas County FY08 Budget Development

Budget Summary Analysis

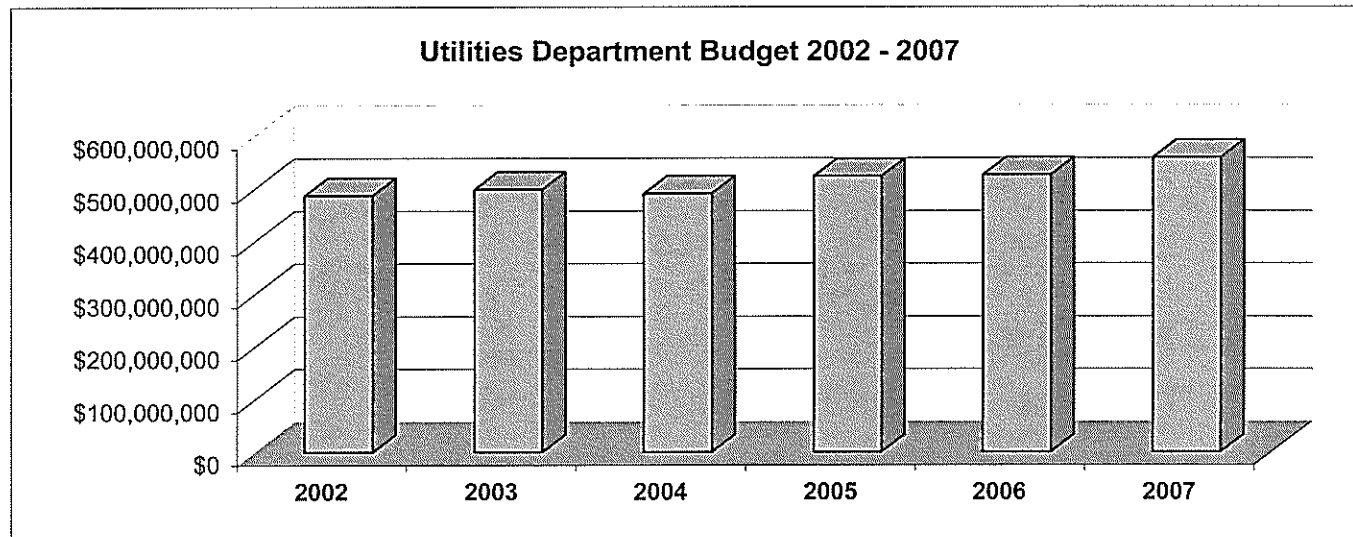
Lealman Solid Waste Collection & Disposal District

- The FY08 Request reflects a decrease of \$22,860 or 1.6% from the FY07 Revised Budget. Excluding Transfers and Reserves, the FY08 Request is anticipated to increase by \$5,630 or 0.5% over the FY07 Revised Budget.
 - The FY08 Request includes no program changes submitted by the Department for this System.
 - Operating Expenses include \$1,096,270 in Contractual Services for solid waste collection and disposal services within the Lealman Municipal Services Business Unit (MSBU) and \$59,000 for reimbursement to the Solid Waste Fund (0521) for administrative costs associated with the Lealman MSBU operation.
 - For FY08, Transfers of \$24,280 to the Tax Collector are anticipated for the collection of the non-ad-valorem assessments for this district.
 - Total Revenues for FY08 are anticipated to decrease by \$235,140 or 16.7% due to the decrease in the non-ad-valorem special assessment revenues that include less households participating than originally anticipated.

Pinellas County FY08 Budget Development - Growth Trends - 5-Year History

UTILITIES DEPARTMENT SUMMARY*

Year	Budget	Increase (Decrease) from Previous Year	Percent Change from Previous Year	Positions	Increase (Decrease) from Previous Year	Percent Staff Change From Previous Year
2002	\$487,505,300			600		
2003	\$499,237,960	\$11,732,660	2.4%	622	22	3.7%
2004	\$491,287,540	(\$7,950,420)	-1.6%	612	-10	-1.6%
2005	\$523,758,290	\$32,470,750	6.6%	623	11	1.8%
2006	\$526,577,440	\$2,819,150	0.5%	632	9	1.4%
2007	\$559,342,880	\$32,765,440	6.2%	636	4	0.6%



* Does not include fund transfers and reserves. Includes Capital Improvement Plan expenditures.
For FY07, Lealman Solid Waste Collection & Disposal Fund is included.